Daily Report

East Europe

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FBIS-EEU-95-081 *27 April 1995*

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Yugoslav Cars Exported to Slovenia

95BA0197B Maribor VECER in Slovene 2 Mar 95 p 2

[Article by Bostjan Bizjak: "Yugo, Who Will Buy You?"]

[FBIS Translated Text] The impossible is possible; the Yugo is here again. The resourceful Serbs have once again outwitted the UN and are once again exporting their most successful model, the Yugo Koral 60, naturally to Slovenia. For a mere 8,660 German marks [DM] you can buy this ugly duckling. The car's exterior does not differ from that of its predecessor, but it has an improved fuel injector and an electronically balanced catalyst, which has been mandatory in our market since 1 July 1994. We were interested in how those cars were even getting into Slovenia. There are three possibilities or routes here. The first is that there is still a large stockpile of completely new vehicles in Slovenia, and they have started to sell them again now that everything has settled down. That is quite unlikely, since for such a large stockpile (we are talking about approximately 800 completely new vehicles) they would need a rather large warehouse, which would have to have been well hidden from the public's eyes.

The second possibility, already more likely, is that they were imported from Germany, where they could not be sold, and so many vehicles were accumulated that they had to get rid of quickly. In fact, the German car magazine AUTO BILD wrote a few months ago about how there was a large stockpile of Zastava's models in Germany. How did they get across the border, and where? If they really were brought to Germany, that of course is an obvious violation of the embargo, which is supposed to be consistently carried out on the Slovene border as well.

Of course, we know quite well how effective the UN embargo is, because the remnant of Yugoslavia is importing and exporting countless things, and the Yugo is one of the export products. As we were told by a dealer for those vehicles in Slovenia, however, their route was allegedly considerably longer and much more complicated.

The people in Kragujevac recently started to produce the Yugo Koral model again, which they sell wherever they have an opportunity to do so. They are brought by train through Serbia and Montenegro to the Bar port. They continue on their way by ship to the Italian side, to Bari—the blockade at sea is probably winking both eyes—and there they are apparently picked up by Fiat (which probably does not even know about this business). In Italy, they are thus renamed as Fiat Innocenti (the Yugo Kabrio that was sold in Germany already had that trademark, since the Fiat trademark is considerably more established than the Yugo), and they are exported to Slovenia under that trademark. The exact route from Bari to the Slovene border is unknown; some people claim that they are taken by ship to Koper and then by train to the consignee, but others think that they are taken from Bari by train all the way to the Slovene border, where the Slovene consignee picks them up.

The strange thing about all of this is that in Slovenia they are equipped with the old markings again, such as the "Y" on the engine hood and the Koral 60 in the back on the door of the trunk. In fact, if they left on the Fiat markings, no one could criticize the dealers in Slovenia for violating the embargo.

Are only individuals who scented the "deal of the century" engaging in the sale of the Yugo, or is it all considerably more organized than is apparent? And since the vehicles have to cross the Slovene border, the question that immediately arises is: What are our authorities doing?

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Videnov Views National Security Factors

AU2704101295 Sofia DUMA in Bulgarian 22 Apr 95 p 7

[Article by Prime Minister Zhan Videnov: "We Will Build Bulgaria's Security With the Dignity of a 1,000-Year-Old Nation"]

[FBIS Translated Text] *I would like very much to see one day that we have a competent, national-responsible, serious, principled, and worthy opposition. May this happen one day....*

This is so because at present one decides to attach the problems of our national security to his eventual future election campaign.... Another asks questions in parliament not in order to hear an answer, but in order to express with hatred his own ignorance...

Yet another in a statement for a foreign magazine already plans the deployment of foreign bases along the Bulgarian Black Sea coast....

Indeed, the transition from a bipolar to a multipolar model of international relations is a complex and contradictory one. The global phenomena and tendencies affect the processes in the old continent, where Bulgaria is seeking guarantees of its national security and economic growth and support for its democratic processes. Of course, this is no justification for anyone to profane this subject. However, such a negative tendency is evident and therefore, it is necessary to discuss the serious problems of our domestic and foreign policy on the basis of fundamental truths.

Bulgaria is a parliamentary republic. In its actions the Bulgarian Government is led by the Constitution and the principle of the superiority of the law. The government is guiding and implementing the country's foreign policy and bears the ensuing full responsibility for this. No other road is possible if we want to continue to assert Bulgaria as a democratic and rule-of-law state.

In implementing the government's foreign policy the Democratic Left stems from the modern understanding of the complex character of security. In addition to the military component, the country's security also includes economic, financial, social, ecological, humanitarian, and other aspects. It is precisely because of this fact that the efforts to guarantee the foreign policy factors of our national security are multidirectional and comprise actions related to different international organizations, structures, and institutions.

Indeed today the Republic of Bulgaria is seeking new guarantees of our national security. Our relations with the European and Euro-Atlantic structures have a clear priority in this activity. The position of the Bulgarian Socialist Party [BSP] and the government in this aspect is unequivocal. The BSP election platform pointed out that Bulgaria's accelerated integration into the political, economic, and military European and Euro-Atlantic structures is a leading foreign policy task. The government declaration I read at the National Assembly also specifically stressed the country's integration into those structures. Those are long-range and strategic goals of Bulgarian foreign policy. The government will try to implement them in order to assuage the justified alarm regarding our national security and the sense of risks and instability in Bulgarian society. Three main lines are evident in conducting this policy: Relations with the EU, the Western European Union [WEU], and NATO. The common values we share with the partners from those organizations—parliamentary democracy, a rule-of-law state, a civic society, and market economy—form our common denominator.

Consequently, an objective analysis presupposes the "security through integration" formula as the only solution that accords with the present day realities. I am pleased with the fact that this old position of the BSP is being supported, albeit reluctantly. It is worth recalling the difficult road this idea traveled for 20 years after Helsinki and its potential for understanding, preserved today by the Organization for Cooperation and Security in Europe.

Bulgarian society does not question the necessity of integration in the EU. There is a national consensus regarding the striving toward full-fledged membership in this organization.

Simultaneously with the integration into the EU, Bulgaria is coming close to membership in the WEU, where it already has the status of associated partner with good future prospects.

As far as NATO is concerned, in recent weeks we witnessed an active discussion concerning Bulgaria's integration into the North Atlantic Alliance. The deception is deliberately being created and disseminated that those who do not raise the slogan of immediately joining NATO are actually against NATO. Having divided us into Francophones and Bulgarophiles, now we are being divided into "NATO supporters" and enemies. This attitude changes the essence and comprehensive complexity of the issue, and belittles the real and practical measures related to our membership in NATO that have been adopted.

The Bulgarian Government is conducting active actions within the framework of the 21 December 1993 National Assembly declaration, which was adopted almost unanimously. It clearly points out that "we must utilize the possibilities offered by NATO and the WEU with a view to joining them when those organizations expand in the future, while Bulgaria's national interests are fully respected." Bulgaria is an active participant in the North Atlantic Cooperation Council [NACC], develops intensive relations with NATO members and NACC partners, and participates in the Partnership for Peace program, which encompasses both political and military-technical dimensions of cooperation. Exercises with the participation of NATO members in the Bulgarian Black Sea

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territorial waters and participation in the "Breeze-95" exercise within the Partnership for Peace program have been planned for 1995. Bulgarian military units are participating and will participate in multinational exercises in accordance with the Republic's constitution and laws.

We accept the hand that has been offered to us and the related obligations, while we preserve the mandatory realism that excludes any illusions regarding imminent full-fledged membership.

The truth must be plainly told: Today NATO still is a collective defense organization rather than a collective security organization. However, it is precisely collective security that the entire Euro-Atlantic space—from Vancouver to Vladivostok—needs.

The collective defense system presupposes a clear enemy or security threats. On the other hand, the collective security system presupposes maximum guarantees of the fact that there will be no enemies, that they would be sufficiently unmotivated to commit an aggression, and that there will be maximum security for all interested states—members and nonmembers alike. There is a significant difference between the two.

This is the understanding that will determine to a large extent the specific behavior of Bulgaria and a number of other Central and East European states, until a new situation is created by the North Atlantic structures through real developments in Europe. This will obviously take place in the near future. Therefore, no one should be puzzled by the position of the Bulgarian Government: namely, that, today and in the future, our policy will not create a shortage of security either in Bulgaria or abroad.

Recently, we heard a philosophical-geometric position according to which the "Athens-Ankara-Sofia" triangle would be a factor of stability. Perhaps, but there is no proof. Unfortunately, I recall another triangle—"Athens-Ankara-Cyprus"—which has nothing to do with stability.

The old and sharp contradictions between Greece and Turkey, two NATO members, again demonstrate that as a collective defense system NATO and its southern flank successfully resolved many tasks but as a collective security system NATO is yet to develop, while its southern flank is already demonstrating many serious flaws. NATO must develop as a collective security system through integration, rather than through a unilateral expansion from the West and a unilateral democratization from the East, as some people imagine this. "A march of democracy with the participation of tank columns?" No, thank you! We have seen this already!

We must give NATO the credit it deserves. It is actively discussing its new role and place in constructing the European security architecture. It appears that the North Atlantic Alliance is trying to transform itself in accordance with the new realities in Europe and the world, and seeks an adequate reply to the present challenges. Obviously, there is a direct connection between this process and the specific decisions regarding NATO's expansion to the east. A mutually acceptable solution to the problems of NATO-Russia relations could likely be found. It all depends on the efforts to prevent the creation of new dividing lines in the Balkans, Europe, and the world, strengthening security, and developing cooperation with all countries, without weakening the efficiency of the future structure. The Bulgarian Government is carefully following the discussion of the 16 on this issue and has expressed its readiness to contribute to the discussion.

I do not think that national security problems should be utilized for confrontation between political forces and parties, for division and conflicts. Logic excludes such an approach. I think that it is ethically inadmissible to change those realities in order to satisfy personal political ambitions. The national interest is above the interests and ambitions of politicians. Society is justified in expecting more prudence, tolerance, responsibility, and realism from the politicians.

Therefore I would not like to absolutize the existing problems, but no one has the right to hide them from society.

I do not think there is a consensus in Bulgarian society regarding the eventual deployment of nuclear weapons on our country's territory. I think that considerations "against" definitely prevail in our public opinion. An eventual deployment of foreign troops on Bulgarian territory—including troops under international command—is something that has not happened even during the time of the bloc confrontation, and therefore it would meet with a decisive resistance.

There is another exceptionally alarming issue: the use of Bulgarian troops for military actions on the territory of other countries. Remembering the December 1993 declaration, let us recall that there is also another declaration, which stresses that Bulgaria will never interfere—directly or indirectly, including under the auspices of international organizations—in military operations on the territory of another Balkan state. This is a correct position. If a conflict were to emerge between this position and an eventual demand that Bulgaria commit itself to resolving the Balkan problems through force, the natural reaction of society and the basic political forces would be negative.

For some people this could be a circus, but for our society this is a vitally important issue. It is no accident that in addition to the Italian model of European integration there also exist the French, Spanish, and even Austrian models. What its choice would be depends mostly on Bulgaria, and not only on its partners. We are not begging for more security. On the contrary, we are

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offering other democratic and stable countries partnership. We shall construct and assess common stability as Bulgarians, on the basis of our interest, and with the dignity of a 1,000-year-old nation.

Zhelev Returns Land Bill to National Assembly

AU2704111595 Sofia Khorizont Radio Network in Bulgarian 0900 GMT 27 Apr 95

[FBIS Translated Text] As expected, President Zhelev has issued a decree by which he returns the bill on amendments and addenda to the Land Bill to the National Assembly for a repeated debate. This is the special statement of Valentin Stoyanov, adviser to the president:

[Begin Stoyanov recording] On 27 April Zhelyu Zhelev, president of the Republic of Bulgaria, signed Decree No. 119, by which he returns the bill on amendments and addenda to the Land Bill to the National Assembly for a repeated debate. Simultaneously, the president has sent to the National Assembly the grounds on which he opposes many of the newly adopted texts of the Land Bill. In addition, President Zhelev has pointed out that he also opposes the bill in its entirety and as a matter of principle. The issue of Bulgaria's land is a national rather than a party matter. The president will address the nation on this matter after the Easter vacation. [end recording]

[Announcer] I will add to this that the president has expressed his reasons in eight pages. I will read some of these: The president has pointed out that the envisaged amendments and addenda to the Land Bill practically stop the agrarian reform, eliminate the meaning of everything that has been done up to now in this area, and generate insecurity in the country's economic life. The president also points out that specific texts in paragraph four arbitrarily deprive citizens of the right to property, something that contradicts Article 17 of the Bulgarian Constitution.

The president criticizes the conditions of the land free market and the restrictions on freely disposing of one's property, including the right to free association. Contradictions between the texts of the newly adopted bill have been pointed out, as well as many editorial mistakes, which would exceptionally confuse the application of the bill, the president stresses in conclusion.

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Plane With Ammunition Took Off From Bratislava

LD2604223795 Prague Radiozurnal Radio Network in Czech 2100 GMT 26 Apr 95

[FBIS Translated Text] The aircraft carrying artillery rounds seized by Russian custom officers at the airport in Mineralnyye Vody did not take off from any Czech airport but from Bratislava, Czech television reported, citing information given by the first deputy police chief, Jan Zatorsky.

Senior Russian police officials corrected the original information. About 40 tones of 155-millimeter artillery rounds were found in the aircraft. Russian authorities have launched an investigation into this matter because, they said, the cargo had not been provided with the necessary documentation.

Zieleniec, Chilean Counterpart Hold Talks

AU2604121195 Prague MLADA FRONTA DNES in Czech 25 Apr 95 p 2

[Unattributed report: "Zieleniec Met With Chilean Counterpart"]

[FBIS Translated Text] Prague—Foreign Minister Josef Zieleniec and his Chilean counterpart, Jose Miguel Insulza, met on 24 April and mainly discussed economic issues.

Minister Insulza emphasized that particularly the treaty on the protection of investments, which has already been signed, is a good contractual basis for cooperation between the two countries. He added that the two countries should also sign treaties on double taxation and lifting visa requirements.

Minister Zieleniec described the Republic of Chile as an important trading partner. It is a country with a similar approach to the economy, and it plays a key role in its region, Zieleniec added.

Discrepancies in Arms Inventory Reports Questioned

AU2604130195 Prague MLADA FRONTA DNES in Czech 25 Apr 95 p 1

[Article by "km:" "The Army Gives Different Data on the Number of Weapons Every Tine"]

[FBIS Translated Text] Prague—The Army apparently has quite a chaos in the evidence of its arsenal because its representatives report different information on the number of one of its most important weapons, the antitank rocket-launching system.

At the same time, this information is being released to foreign military diplomats, for instance, who use it to draft their studies, and to international disarmament authorities.

Last year, the Defense Ministry Press Department officially announced that the Army had a total of 145 antitank rocket-launching systems. Major General Jiri Nekvasil, Army chief of staff, stated recently, however, that the Army possesses 464 of these weapons. It should be noted that no antitank system has been purchased during the past two years.

Yesterday, the Defense Ministry Press Department admitted discrepancies in the data issued. In fact, according to the department sources, there were 473 of these systems in the Army arsenal last year. The department confirmed this year's figure published by Nekvasil, noting that some systems have been discarded since last year.

Nevertheless, the Defense Ministry Press Department's representatives have not been able to explain the discrepancies in the data.

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Official Says Weapons Seized by Russians 'Legal'

AU2704115195 Paris AFP in English 1058 GMT 27 Apr 95

[FBIS Transcribed Text] Bratislava, April 27 (AFP)—A stock of arms discovered on board a Russian Ilyushin Il-76 in southern Russia was an officially declared cargo bound for India with a genuine export license, a Slovak official told AFP Thursday [27 April].

Frantisek Blanark, an arms export license official, said that Slovak authorities were looking into the incident in which Russian borderguards found 40 tonnes of artillery shells on board the plane, which landed Tuesday at Mineralnye Vody airport in the northern Caucasus after taking off in Slovakia.

Slovakia would publish an official statement soon, he added.

A spokesman for the Russian borderguards who seized the cargo Tuesday, said there had been no corresponding documents.

The airport's director meanwhile told AFP that the plane had taken off from Bratislava airport Tuesday, and that a Russian company, ALAK, was the official, legal transporter of the weapons.

Mineralnye Vody lies some 200 kilometres (130 miles) west of the breakaway republic of Chechnya, where Russian troops have been battling separatist rebels since launching a massive offensive on December 11.

Meciar Discusses Relations With U.S. Congressman

LD2604174995 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1630 GMT 26 Apr 95

[FBIS Translated Text] In Bratislava today, Slovak Prime Minister Vladimir Meciar received Tom Lantos, a member of the U.S. Congress.

The politicians discussed mutual relations and cooperation between Slovakia and the United States. They also talked about the current state of transformations of the Slovak economy, privatization, and reinforcing democracy in Slovakia.

During the meeting, Meciar also mentioned the possibility of U.S. investment in the Slovak economy. Meciar emphasized that the United States can play a positive role in promoting the admission of the Central European countries into European and transatlantic structures.

Respect for Croat Decision on UN Withdrawal

LD2604184695 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1630 GMT 26 Apr 95

[FBIS Translated Text] Slovakia will respect the Croatian parliament's definite decision to have the UN forces withdrawn from the territory of Croatia, Slovak Defense Minister Jan Sitek stated during his meeting with the top media officials during his visit to the Slovakia news agency today.

Sitek described the Slovak Republic's admittance to NATO as a long-term process. According to Sitek, it is therefore not appropriate to think about whether one day there will be nuclear weapons situated on Slovak territory.

Russian Ambassador Discusses Bilateral Relations

AU2604145895 Bratislava HOSPODARSKE NOVINY in Slovak 25 Apr 95 p 4

[Excerpts from a lecture by Sergey Yastrzhembskiy, ambassador of the Russian Federation to Slovakia, delivered at a meeting of the HN Club in Bratislava on 21 April: "Reforming Russia in the Present World"]

[FBIS Translated Excerpt] [Passage omitted] Following the transition to payments in convertible currencies and the breakup of the Soviet Union and Czechoslovakia, the volume of Russian-Slovak trade substantially declined, and many traditional production ties between companies and organizations were severed. Trade volume has recently stabilized, however, and last year it recorded an increase and exceeded $1.5 billion. While Russian exports declined 1 percent, to $1.2 billion, Slovak exports to Russia went up almost 13 percent and amounted to roughly $300 million.

The trend of increasing trade continues in 1995. According to available data, in the first two months of 1995, compared with the equivalent period last year, trade between our two countries went up 15 percent, with Slovak exports going up more than 25 percent.

Let me say a few words about the unbalanced nature of trade between Russia and Slovakia, a topic frequently mentioned in the Slovak press. The 1994 trade balance closed with a hefty Russian surplus of approximately $900 million. When we take a closer look at the balance of payments, however, we get a substantially different picture. Some 5.5 billion cubic meters of natural gas were delivered to Slovakia in 1994. Actual payments for this gas amounted to only $2.2 billion [figure exceeding the entire volume of 1994 Russian-Slovak trade as published], however, because Slovakia received $350 million worth of gas for services connected with the transit of Russian natural gas through its territory. It also needs to be mentioned that, in the past two years, Russia has been repaying its debt to Slovakia through deliveries of special equipment. In 1994 these deliveries represented $50 million. Besides, the extent of Russian tourism and the treatment of sick Russians in Slovakia greatly increased last year. An analysis shows that $10 million worth of such services were provided last year. When we include all of these items, the Russian trade surplus will no longer be $900 million, but approximately $400 million.

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Of course, what I just said does not challenge the need to substantially increase the volume of Slovak exports to Russia and to improve the structure of Russian exports to Slovakia from the viewpoint of increasing the proportion of machinery and equipment. In this context, the two sides pin big hopes on the creation in the near future of a free trade zone between Russia and Slovakia, basic agreement on which has already been reached by Prime Ministers Viktor S. Chernomyrdin and Vladimir Meciar. [passage omitted]

I would like to take this opportunity to officially invite, for the first time, Slovak building companies to participate in the international tender for the reconstruction of Chechnya. Bids from firms will be accepted until 15 May of this year. More detailed information is available from the Russian Embassy. [passage omitted]

In our opinion, the following are the most important directions of expanding and intensifying trade and economic relations between our countries:

1. Cooperation in the oil industry. The Slovak Sokon consortium is engaged in negotiations with a number of Russian oil companies on the possibility of long-term investments in the Russian oil industry on the basis of a joint venture. The founding of a joint venture with Slovnaft for refining Russian oil and selling oil-based products could have very good prospects. The possibility is also being studied of a swap of shares between Slovnaft and one Russian oil company.

2. Cooperation in the gas industry. Slovakia is the largest, and reliable, partner of Russia in the transit of Russian natural gas to Western Europe. Cooperation would greatly benefit from the founding in Slovakia of a joint trading house between Slovensky Plynarensky Priemysel [Slovak Gas Industry company; SPP] and the Russian Gazprom shareholding company. In our opinion, it is mainly in Slovakia's interest that this project be realized as of the beginning of 1996 because deliveries of Russian natural gas under the Yamburg agreement on the repayment of the credit will come to an end in 1995.

3. Cooperation in the nuclear power industry remains one of the priorities of Russian-Slovak relations. Expert talks are currently under way concerning the expansion of agreements on the possibility of extending to Slovakia a $150 million Russian credit to finance the completion of the Mochovce nuclear power plant.

4. In the past, the two countries' companies cooperated extensively in the production of special equipment. These contacts are being renewed of late. Cooperation in the production of the RD-35 aircraft engine for Yak-130 training aircraft, involving on the Slovak side Povazske Strojarne [Vah Valley Engineering Works] and on the Russian side the OKB Yakovlev design office and other companies, is a case in point. Cooperation in the conversion of the defense industries is also being considered.

5. Pursuant to the intergovernmental agreement on the settlement of the former USSR's and Russia's debt to Slovakia, the Russian side has started repaying this debt. A considerable amount of special equipment was delivered to Slovakia, particularly in the years 1993 and 1994, and a contract for further deliveries has been agreed upon and initialed. However, its realization has been temporarily suspended because of the absence of an authorized Slovak bank. We are also impatiently awaiting official confirmation that previously delivered special equipment has been written off the debt.

I would like to express the hope that all of the promising projects, programs, and plans aimed at intensifying this cooperation will be translated into practical deeds. The potential of our cooperation is truly great, and tapping it is in the interests of the reforming economies of Russia and Slovakia and of the nations of both of our sovereign states.

Restrictions Laid on Hungarian-Language Broadcasts

LD2604181195 Budapest Kossuth Radio Network in Hungarian 1600 GMT 26 Apr 95

[FBIS Translated Text] Having financially paralyzed the ethnic minorities' press, the Slovak Ministry of Culture is this time targeting the Hungarian-language program of Slovak radio. Ildiko Nagy reports from Pozsony [Bratislava]:

[Nagy] According to the agreement signed by the Ministry of Culture and Slovak radio in December 1994, the style of the Hungarian-language programs has to be changed according to a so-called state order [allami megrendeles]. This means that political issues involving differences of opinion have to be excluded from the news. The government's policy must be presented from an objective rather than an exclusively opposition angle.

According to the instructions from the Ministry of Culture, which were accepted last week by the radio's management, there must be more emphasis on the explanation of the constitution in the Hungarian-language broadcasts. Both languages must be used in the programs so that those belonging to the Hungarian ethnic minority learn the Slovak expressions used in the state administration. The literary, youth, and other programs have to devote more time to the Slovak nation's history, emphasizing its fight for independence and the rights that are guaranteed to the ethnic minorities living in the country.

The delivery of the ministry's order also has to be expressed in financial terms. Two-thirds of the Hungarian section's budget must be used for programs of the style set out above. According to a source who informed the Hungarian radio's correspondent and who does not wish to reveal his or her identity, the restoration of censorship must be feared because the last time editorials received similar directions was in the darkest period of communism.

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Ex-Minister Toth Given New Government Position

AU2704112695 Bratislava PRAVDA in Slovak 26 Apr 95 pp 1-2

[Article by Rado Stevcik: "He Who Gives a Bribe Need Not Fear"]

[FBIS Translated Excerpt] Bratislava—The Slovak Government yesterday decided on the return of Julius Toth, its former deputy prime minister and minister of finance, into the structures of executive power by appointing him government commissioner for restructuring the engineering industry. Government spokesman Tomas Hasala said that Julius Toth would be in charge of coordinating the policies of the pertinent government departments.

Under the draft amendment to the Penal Code approved at yesterday's Cabinet meeting, not the person giving a bribe will be criminally liable, but he who accepts it. [passage omitted] "The amendment is expected to increase the number of uncovered cases of bribery because the person giving a bribe need not fear punishment and can initiate investigation," Tomas Hasala said. [passage omitted] He admitted that several government members voiced objections to the draft amendment, but it was approved by a simple majority of votes. [passage omitted]

The government also discussed and approved a report on the development of highways and international roads on Slovak territory. The concept provides for the construction of 444.3 km of new highways by the year 2005 (17 km of highways are currently under construction and 198 km are in operation). According to the section chief of the Ministry of Transportation, Posts, and Telecommunications, the realization of the concept is realistic. The construction of highways will be financed, first and foremost, by the sale of bonds of the Doprastav shareholding company, which has been secured by the National Bank of Slovakia. The Doprastav bonds have reportedly been purchased by banks and insurance companies. Proceeds from the first bond issue, which has taken place already, will be used predominantly to complete the Trencin bypass. The second tranche of bonds, amounting to 670 million korunas, will be on sale in June, and the proceeds will be used to start the construction of the highway sections from Bratislava to the Hungarian and Austrian borders. According to the Ministry of Transportation spokesman, the highway construction is to be financed, furthermore, from the consumer tax on hydrocarbon fuels, the road tax, and some other resources, which are, however, negligible. The introduction of tolls for the use of highways is not being considered for the time being.

Left Wing Groups Unite as Slovak Labor Party

LD2604193795 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1630 GMT 26 Apr 95

[FBIS Translated Excerpt] In Bratislava this afternoon, representatives of political parties, movements, trade unions, and youth and civic organizations debated the launch of the Left Forum, which is due on 17 May 1995.

The delegates agreed that such a loose association is more than necessary because of the permanently worsening economic situation.

Despite being invited, the representatives of the Association of Workers in Slovakia [ZRS] did not take part in the talks.

Miroslav Kocnar was present, representing the founding committee of the Slovak Labor Party [Slovenska Strana Prace—SSP] at today's meeting. Our reporter Oto Goerner asked him for an interview.

[Begin recording] [Kocnar] The SSP founding committee consists mostly of ZRS members. One could say that it consists of former ZRS members. Even at the congress, these members pressed me into founding a new party. At the time, I thought it was not very appropriate, but in the end I agreed. I suppose this will be a solution reviving the notions the ZRS upheld in parliament not so long ago.

[Goerner] You represent a founding committee. Do you have any idea about the future membership of the SSP?

[Kocnar] We do not want to address only workers; that is why we have chosen the name [Labor Party]. We want to address every citizen with left-wing feelings. We want to address both the intelligentsia and the working classes. [passage omitted]

[Goerner] Once the SSP has been founded, will you stand up in parliament as independent deputies?

[Kocnar] The parliamentary rules do not allow acting on behalf of a party that did not take part in the parliamentary elections. This means that we will continue as independent deputies or an independent club, but this does not prevent us from party work.

[Goerner] Have you asked for the registration of your party?

[Kocnar] Not yet. We should meet this weekend to discuss the conditions. [end recording]

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Horn Statements at Council of Europe Assembly

LD2604134095 Budapest Kossuth Radio Network in Hungarian 1300 GMT 26 Apr 95

[FBIS Translated Text] Hungarian Prime Minister Gyula Horn regards minority protection as a basic condition for European stability. Horn spoke at the Council of Europe [CE] Parliamentary Assembly in Strasbourg, where a decision is expected today on whether to introduce checking compliance with Recommendation 1201 on minority autonomy as a basic point in monitoring any member countries and applicants.

Obviously referring to the Hungarian-Romanian basic treaty, which is currently being drafted, the Hungarian prime minister said that the CE norms are decisive not only in the countries' internal laws but also in the agreements regulating bilateral relations.

Horn also said in Strasbourg that, in Central Europe, the developing democracies are lacking a strong enough economic background; therefore the support of foreign capital is important.

On Russian, Ukrainian Accession

LD2604144595 Budapest Kossuth Radio Network in Hungarian 1400 GMT 26 Apr 95

[FBIS Translated Excerpt] Today Prime Minister Gyula Horn delivered a speech at the Council of Europe [CE] Parliamentary Assembly in which he stressed the significance of minority protection. Our special correspondent Miklos Lengyel reports from Strasbourg.

[Lengyel] [passage omitted] We aim to join NATO but we do not want to achieve it against our neighbors, said Gyula Horn.

In answer to a question, Horn said that Russia was not opposed to Hungary's NATO membership.

The CE should admit Russia and Ukraine as a sign of confidence in them. The CE and the OSCE could jointly examine the situation in rump Yugoslavia and, on the basis of the examination, it could propose the easing or the lifting of the embargo.

Our common goal is to create a united Europe, Horn concluded at the CE Parliamentary Assembly. The Hungarian prime minister is spending one day in Strasbourg.

On Initiative in Yugo Crisis

LD2604205995 Budapest Kossuth Radio Network in Hungarian 1800 GMT 26 Apr 95

[FBIS Translated Text] According to Gyula Horn, there is a need for a new initiative to resolve the Yugoslav crisis, because this conflict could set a precedent for the fragile stability of the entire Central and East European region and lead to serious losses in neighboring countries. The Hungarian prime minister said this at a press briefing held at the headquarters of the Council of Europe in Strasbourg.

He said Hungarian Foreign Minister Laszlo Kovacs will soon visit Belgrade in his capacity as current chairman of the Organization for Security and Cooperation [in Europe]. The aim of the visit is to assess the attitude of the Serbian and Montenegrin leadership toward the Bosnian war.

Talks on EU Association Agreement Viewed

AU2604170395 Budapest NEPSZAVA in Hungarian 26 Apr 95 p 6

[Interview with Titular State Secretary Peter Gottfried by Gyorgy Kertesz; place and date not given: "Stricter Tariffs Instead of Skimming—Peter Gottfried on Talks on Amending the Association Agreement"]

[FBIS Translated Text] As titular state secretary, Peter Gottfried became head of the Office of European Affairs at the Industry and Trade Ministry in March. The office is currently holding important talks with the delegation of the EU Committee on amending the Association Agreement. Gottfried gave NEPSZAVA an interview on the state of the talks and the conditions of Hungarian accession to the EU.

[Kertesz] Before the start of the ta[illegible]officials made rather optimistic statements on the ch[illegible]ces of amending the Association Agreement. Was the optimism well founded?

[Gottfried] Naturally, we are not trying to amend the whole Association Agreement at these talks; however, it has become necessary to amend the chapter on agriculture. The reasons are the results of the Uruguay Round of the GATT and the 1 January extension of the EU. Therefore, the goal of the talks is to find a way to ensure that the advantages that were originally decided when the Association Agreement was made can also fully prevail under the new conditions.

Precisely on these issues, namely in the area of agriculture, the Association Agreement did not aim at approaching free trade. The agricultural sector had a special treatment in the agreement, in contrast to industry where we set up a timetable to remove tariff and nontariff type obstacles. In the case of agricultural products, the agreement does not follow this principle: The goal was that, in their prevailing import systems, the two sides grant such favors to each other, which are different for the various products, and ensure better access to their markets for each other than to third countries.

When the circumstances were changed, there was a realistic danger that the sides would not be able to make use of these favors that were laid down in the agreement.

[Kertesz] What actual changes are you planning?

[Gottfried] In the past, the EU used the skimming system as the main tool of import regulation. This will now be replaced by tariffs. Understandably, the preferences were attached to this skimming mechanism in the

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past. Now we have to try to have the preferences in the agreement replaced by customs allowances. Looking at it from the viewpoint of the other side, Hungary has so far used a licensing system for agricultural products, linking this with a relatively low customs level. We introduced the results of the Uruguay Round on 1 January, which means the end of the licensing system and the introduction of much higher customs tariffs. Therefore, the rules of the game have changed, and the goal of the current talks is to be able to play the same game under the new rules.

To return to the first question, I am no less optimistic than I was before the start of the talks. I base this on the fact that we managed to achieve significant progress during the March rounds. The EU, where the import system will not change until 1 July, agreed with our definite need that a situation should not arise in which there is a new, amended EU import system but a preferential system negotiated with Hungary does not yet exist. The legal techniques to be applied have not yet been decided, but we have agreement on the principle.

[Kertesz] Did the introduction of supplementary customs tariffs, which was announced on 12 March, deteriorate our negotiating positions?

[Gottfried] This will become absolutely clear only at the end of the talks. I certainly tried to convince my negotiating partner that we should separate the two issues. The introduction of the supplementary tariffs is a temporary measure to help stabilize the payment balance, and its primary goal is not to influence agricultural trade. I felt that my partner also agreed that this kind of temporary measure can be separated from the agreement that fundamentally determines agricultural relations between Hungary and the EU.

[Kertesz] Apart from agricultural relations, what is the situation of our accession to the EU? We have the Maastricht guidelines on one hand and we are hearing more and more about the White Book.

[Gottfried] The Maastricht agreement defined convergence criteria for setting up the economic and monetary union. In fact, many of the current member states do not yet meet these expectations. I also do not feel that meeting the Maastricht criteria is an expectation for those countries awaiting membership. For accession, it is more important whether the prospective member has the chance of meeting these criteria at some point in time after accession. Therefore, it is not a condition of accession that we must immediately be able to meet the criteria that are necessary for the next phase of the economic and monetary union.

Many white books already exist, and probably more will come. The one you hinted at is the handbook of tools that will promote and prepare accession and which were defined at the Essen Europe summit in December 1994. This particular book contains the EU's suggestions for the prospective member countries, namely the most important elements of the domestic market rules. The prospective countries should adopt these to make them suitable for organically joining the EU's unified domestic market after accession. Before the White Book appears, we are planning to approve a three-year legal harmonization program. We will reexamine this program in light of the recommendations of the White Book.

[Kertesz] Does the conditional tense you used mean that meeting the recommendations is not a guarantee for membership?

[Gottfried] It could mean this, but I believe that the EU expressed a definite political will in Essen and accession of the region's countries has come on the agenda. The EU and its predecessor acted the same way in earlier membership cases. There is no legal guarantee for the timing of the accession. However, there is a realistic chance that, making good use of the forthcoming period, the conditions will become ripe for us to start the accession talks, as intended, in 1997, and to become a member at the turn of the century.

Progress in Newspaper Privatizations Analyzed

AU2404135095 Budapest HETI VILAGGAZDASAG in Hungarian 22 Apr 95 pp 107-108, 113

[Article by Gabor Juhasz: "Privatization of State-Owned Newspapers—Newspapers for Peanuts"]

[FBIS Translated Excerpt] The Canadian Hebdo Mag Inc. can buy the EXPRESS advertising newspaper from the government-owned Hirlapkiado Rt. [Newspaper Publishing Inc., HK] for a record 2 billion forints, and majority ownership of Radio Panorama in Sopron. These were Privatization Minister Tamas Suchman's decisions last week. According to experts, the government, a number of whose newspapers have been advertised, has made a good deal but it is quite possible that it will not actually have any net income from these sales.

Few people have recently done so much for the privatization of Hungarian newspapers as Peter Molnar and Attila O. Kovacs. On 1 April, Molnar, general director of Hirlapkiado Rt. which is owned 100 percent by the State Property Management Corporation [AVRT], dismissed Kovacs, chief editor of ESTI HIRLAP, which is published by HK. As a result of their bickering, the fifth page of ESTI HIRLAP was left blank on that day. The case, unprecedented over the past few decades, created a sharp parliamentary quarrel and the opposition has been talking about censorship and intimidation.

According to all indications, this was the very last thing the Socialist Party's Privatization Minister, Tamas Suchman, needed. He was actually forced to give explanations to the parliamentary deputies, even though the government-owned newspapers had not been renationalized by the Horn government and the protagonists of the ESTI HIRLAP case had not been appointed by them either. The AVRT dismissed Peter Molnar and then the minister suddenly made a decision on the sale of the

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EXPRESS advertising newspaper, which the AVRT had been putting off for months—and on advertising the other government-owned newspapers. It is also possible that the government got fed up with financing the losses of these newspapers, which also include political dailies.

The telltale remarks of the parliamentary ESTI HIRLAP affair also indicated that the clash had a political background, and the blank page was only an excuse for this. For example, Tamas Deutsch [Federation of Young Democrats, FIDESZ], who opened the debate, first announced that the HK's general director had "dismissed MAGYAR HIRLAP's chief editor"; Jozsef Torgyan [Independent Smallholders Party] called Laszlo Akar, political state secretary at the finance ministry, a parliamentary deputy although he is not a member of parliament; and a day later Suchman used the argument that the circulation had sharply dropped under the dismissed chief editor and the "newspaper had accumulated a 150-billion-forint loss" (although it is "only" 150 million).

As a matter of fact, in the ESTI HIRLAP case, similar parliamentary action could have been caused last summer, too, when Mahir Rt, controlled by Lajos Simicska, financial director of the FIDESZ, was the publisher. At that time, the deputy chief editor and the newspaper's director (Csaba Schlecht, who is known from ventures with FIDESZ involvement) removed an article of O. Kovacs—in which he attacked the newly appointed Prime Minister Horn, for example calling his parliamentary speech a tissue of lies—from the newspaper in the printing press, claiming that the article contained coarse remarks; however, the issue was settled locally.

At any rate, according to indications, the Suchman decision is the beginning of the second phase of privatizing the government-owned newspapers. However surprising it may seem, the number of government-owned newspapers is at least as high as in 1990, and a large number of these had already been sold before, mainly to foreign buyers. The wave of repurchases was started during the Antall government, when 80 percent of ESTI HIRLAP went to HK after Robert Maxwell's death. Then Rupert Murdoch "returned" REFORM and MAI NAP to the government-controlled Hungarian Credit Bank RT [MHB], and the HK bought MAGYAR NEMZET from the French Hersant group in 1994. By 1994, partly through its companies and their ventures, the AVRT had a significant (including, for example, three political dailies) but unprofitable newspaper empire.

Privatization attempts failed until March 1995. For example, the HK could not be sold as a whole last year. However, in March, the ownership rights of REFORM, whose publication had been suspended in February, were sold to Kepes Hirlapkiado es Kereskedelmi Kft [Picture Newspaper Publisher and Trade Ltd.]—the company was set up on 1 June 1994 from the M & V Advertising and Trade Partnership—and, according to the latest promises, the paper will be relaunched in the first week of May. This has cleared out Reform Inc., and it will probably be liquidated because the newspaper's purchase price will probably not cover the 45-million-forint debt of the company, to which 12 million forints are owed.

In the case of EXPRESS, the newspaper—rather than shares—will be sold, which means that the HK will sell the advertising daily (the package also includes the HK's 74-percent ownership share in Antenna Sopron Ltd., which operates Radio Panorama in Sopron).

According to the plans, 90 percent of the 2 billion forints that are to be received in the coming days will immediately be frozen because the sum is intended to cover the final accounts of HK, which became unprofitable last year. [passage omitted]

It adds to the HK's problems that the advertised newspapers will by all means have to be maintained for a few months, and this could reduce the privatization income by further hundreds of millions of forints. (The combined monthly loss of MAGYAR NEMZET and ESTI HIRLAP is between 50 and 70 million forints.) [pasage omitted]

In the case of the sale of government-owned newspapers, almost anything is possible. This is very well shown by the fact that, at the end of last week, the unprofitable HK bought 28.9 percent of the unprofitable Main Nap Inc. from the MHB. Originally the AVRT had intended to buy this share. It is true, though, that MAI NAP is also planned to be advertised in the coming days. Although its circulation reaches 140,000 on Sundays and nearly 70,000 copies are printed on weekdays, it will only be possible for this tabloid to be published because the AVRT has given a 50-million-forint cash payment guarantee to Szikra Printing Press Inc. for the newspaper. Actually, the whole government package only contains one profitable newspaper: namely, SZABAD FOLD (52.1 percent of the publisher's shares are owned by the AVRT). This paper, which is published in 430,000 copies and has 350,000 subscribers, made a 40-million-forint profit in 1994. [passage omitted]

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Comment on Importance of Bartoszewski's U.S. Trip

WS2604135195 Warsaw RZECZPOSPOLITA in Polish 26 Apr 95 p 5

[Commentary by Kazmierz Dziewanowski, former Polish ambassador to the United States: "Bartoszewski on the Potomac"]

[FBIS Translated Text] This visit was not widely advertised before it took place. Unlike in the case of some other foreign trips, there were no heated controversies over it. Despite that, it has been one of the most vital political and diplomatic events of the past few months—at least as far as the issue of Poland's relations with the world and the world's attitude toward Poland are concerned.

One can also say that there are many aspects to this visit. Its significance, success, or failure depend on many elements. First, the political situation in Poland. It is far from crystal clear. The "crazy quarrels," the disputes over division of powers, the lack of clarity over policy direction, the question marks over many intentions—all of this started many people abroad wondering whether Poland is the reliable partner it has been considered to be in recent years. The past life of Minister Bartoszewski, his name, and his fame proved to be an invaluable advantage. Unlike some other politicians of the recent time, with whom politicians in the city on the Potomac simply would not talk, Bartoszewski was invited to talks with all those who formulate U.S. foreign policy.

Second, the visit was paid at a significant moment, at the time when President Clinton and his administration (let alone the Congress) are clearly leading us to understand that, with opposition, they are drawing conclusions from what is going on in East Europe and from statements made in Moscow that are unfavorable toward the West. The opposition I have mentioned stems from the right conviction that one should not do anything that might be detrimental to democracy in Russia. However, for some time now the people who are governing Russia have not been speaking about democracy at all. Instead, they have been talking about breaking international treaties, about NATO (including the United States) being an aggressive group, and sometimes they even mention the possibility of a third world war.

This is not the kind of language that might bring Russia benefits in international relations, especially when it is accompanied by such facts as the massacre in Chechnya and the escalation of the war in Tajikistan.

The change in Russia's language has brought about considerable concern in Germany, which, after all, is the most important U.S. partner in Europe.

Nonetheless, Minister Bartoszewski did not go to the United States to warn anyone against threats or to explain that Poland feels threatened. Poland is rather calm, and it is doing what it should be doing: It is taking care of the economy and supporting integration into Western establishments. It is not doing this to threaten anyone or to make divisions deeper. It is doing it to consolidate stabilization in this part of the world and thus to strengthen its own security. These are the topics Minister Bartoszewski spoke about in Washington—and he found intent listeners.

Bartoszewski Interviewed on WWII Anniversary

LD2604192295 Berlin DDP/ADN in German 1843 GMT 26 Apr 95

[FBIS Translated Text] Berlin (DDP/ADN)—Polish Foreign Minister Wladyslaw Bartoszewski has called for further reconciliation with Germany on the occasion of the 50th anniversary of the end of World War II on 8 May. In a prerelease of an interview on the German news channel N-TV, the diplomat, who was sent to Auschwitz concentration camp by the Nazis, said he has forgotten nothing, but that does not prevent him developing "relations with hundreds or thousands of Germans and my respect for the new democracy."

The 73-year-old, who is to give a speech in the German Bundestag on the anniversary, said that scarred wounds remain scars and that scars are not normal. For that reason, he said, it must "always be left to the victims and not the perpetrators how far they are able to forget." The dimensions of the upheaval between Germans and Poland will "only be recognized by people in 50 to 80 years' time."

Bartoszewski expressed his regret at the dwindling interest of young Germans, in particular, in meeting Poles and called for greater cooperation in the border regions, including the development of a harmonized school system.

Cabinet Rejects Provisions of State Secret Law

WS2604144795 Warsaw GAZETA WYBORCZA in Polish 26 Apr 95 p 3

[Article by "(Kes, Jach)": "The Government: Journalists Cannot Reveal State Secrets; Disclosure Under Control"]

[FBIS Translated Text] *The government does not agree that journalists should have the right to disclose state secrets that shield malfeasance in the public interest. Yesterday, the Council of Ministers rejected the liberal provisions pertaining to journalism included in parliamentary drafts of the new law on state and professional secrets.*

The penal code states that anyone who divulges a state secret may be sentenced to prison for up to 10 years. Draft laws on secrets developed by the Union of Labor [UP] and the Polish Peasant Party [PSL], currently reviewed by Sejm commissions, postulate that journalists who disclosed state secrets "for higher public interests" should not be punished.

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"We do not agree with that. If those provisions were passed through the Sejm, the law on the protection of state secrets would become absurd, it might just as well be extinct," said Minister of Internal Affairs Andrzej Milczanowski when asked about the opinion of the head of government.

The previous draft, prepared by the government, was rejected by parliament last fall only because it contained a provision prohibiting journalists from disclosing secrets. Therefore, the government—albeit it still does not agree to waiving that provision—no longer has the courage to insist on it sternly. It is not rejecting the deputy drafts altogether, settling for halfway, less liberal solutions.

"We can agree, for example, with the PSL draft provision that anyone who wants to disclose a state secret should apply to the Supreme Court for approval. The Court would consent if the disclosure of a secret would serve public interest to a greater degree than having the information classified. Decisions would be issued without trials within a one week period," said the interior minister.

The government also fully rejects the UP suggestion that personal files of officers and secret agents of the Ministry of Public Security and the Security Administration be fully revealed. The files of secret collaborators are to remain secret forever.

Minister Milczanowski said he will not dispute the time frame after which other types of confidential documents are to be obligatorily disclosed.

Draft Reprivatization Law 'Better Than Previous Ones'

WS2604150495 Warsaw RZECZPOSPOLITA in Polish 26 Apr 95 pp 1, 7

[Article by Ada Kostrz-Kostecka: "New Version of Draft Law on Reprivatization; Better Than Previous Ones"]

[FBIS Translated Excerpt] The Consultation Council for Reprivatization evaluated on 25 April the bill of the new reprivatization law as far better than the previous draft laws. Privatization Minister Wieslaw Kaczmarek termed the new version of the law on compensation for property illegally seized under regulations issued between 1944 and 1962 as "a field of possibilities" for resolving these problems which the present government has to propose. The document has been drafted by a team chaired by Deputy Prime Minister Grzegorz Kolodko and it is to be discussed by the government on 16 May.

"I would like to resolve the problems of reprivatization as soon as possible. However, if this law is treated as an element of political games, it will go down the drain," said Wieslaw Kaczmarek. The new version of the law, as head of the Ownership Transformations Ministry [MPW] reported, was favorably assessed by Prime Minister Jozef Oleksy.

The Council for Reprivatization, which had not convened for nearly six months because it decided that the previous version of this law was unacceptable, this time approved of this bill, even though it did submit some reservations. Council Chairman Krzysztof Laszkiewicz said that the philosophy behind the new version of the law is different from the one presented by the Pawlak government.

The fundamental form of compensation, according to the new version of the law, is to be compensation vouchers. It would be possible to use these vouchers in payment of real estate sold by the State Treasury, gminas [smallest administrative units], unions of gminas, the Agency for Farm Property of the State Treasury, or in payment of shares and stock from the reprivatization reserve. The person who would buy real estate in line with the law on land economy and on dispossession of real estate, and who would declare payment in the form of vouchers, would be guaranteed the right to be first to buy the real estate at the price set by experts. In this way former proprietors would be able to retrieve their property by paying with their vouchers because the sellers could not refuse to accept such payment. The present draft law proposes an agreement between parties in instances when a gmina does not want to sell property on which well-justified claims have been made.

The issue of whether gminas would not try to hold up the sale of property until the vouchers lose their validity is still open. Since it would be necessary to wait 10 years for that, according to Laszkiewicz, it is not possible to freeze the real estate trade for so long. [passage omitted]

KPN's Situation Going Into Presidential Race

WS2604141395 Warsaw RZECZPOSPOLITA in Polish 25 Apr 95 p 2

[Article by Marcin Dominik Zdort: "KPN Seeks Allies; Between the Left and Right Wings"]

[FBIS Translated Excerpt] The Confederation for an Independent Poland [KPN] has sought allies throughout its political life. Even though Leszek Moczulski's party was successful twice, the coalitions that it formed never lasted. Therefore, when KPN won seats in the Sejm and when the entire right wing found itself outside of parliament, the party began making efforts to develop closer ties with other anticommunist groupings, which were in a far worse situation this time.

KPN has managed twice so far to be part of a parliamentary alliance. First, in 1991, when in the first free parliamentary elections it achieved unexpected success and became a significant force in the Sejm, a center-right coalition was formed (members of this coalition were, aside from KPN, such parties as the Liberal-Democratic Congress, Center Accord—PC, Christian-National Union—ZChN). This coalition managed to keep representatives of the two biggest parliamentary clubs—the Democratic Left Alliance and the Democratic Union—

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out of the Presidium of the Sejm, and to distribute the posts of speakers and deputy speakers among themselves. [passage omitted on party history]

In the Magic Circle

The chance to break the magic circle of loneliness came along only after the 1993 elections, in which KPN remained the only anticommunist grouping in parliament, even though it did not receive many votes of support. The parties that had been ignoring KPN—PC or ZChN—were denied representation in the Sejm.

As early as the first weeks after being elected to the parliament, KPN made efforts to develop closer relations with the extraparliamentary right wing. The party's leaders declared that they would willingly take on the role of a "transmitter" of ideas and draft laws prepared by those parties which did not have their representatives on the Sejm benches.

Even though the extraparliamentary right wing was shocked at the enormity of its defeat, it did not respond favorably to the offer made by Leszek Moczulski. Those groupings, which came quite close to the limit of votes which would have made it possible for them to participate in the Sejm's work, decided that they would go their own way, in which case KPN, considered to be a populist grouping or sometimes even called extremely left wing, would only be a burden.

Alliance of the Rejected

Soon after that, however, the Secretariat of Center Right Groupings [SUC] was formed—an alliance of minor parties which, just like KPN, were not considered by the strongest extraparliamentary parties to be their serious partners. Incidentally, as its program became increasingly clear, there began to be more and more similarities between SUC and KPN.

The main ideas behind the programs of SUC and KPN are anticommunism and the desire to take the helm of power away from the hands of the post-Polish People's Republic parties. Both are looking for a place for themselves between the left and right wings; they like referring to the tradition of independence (especially to the times of Pilsudski) and to the links with the Catholic Church. They say that their economic views are in accordance with the Catholics' social teachings, which, however, in the case of both KPN and SUC means emphasizing social sensitivity, supporting an extended state budget (there was even a time when KPN spoke about an "open budget"), as well as supporting the idea of considerable social benefits. All this is similar to what is proposed by the left wing. Aside from that, both groupings have decided that one of their primary goals is exposing acts of malfeasance and malpractice.

"Solidarity's" Blessing

However, before KPN and the center right began to cooperate more closely, the confederation moved closer to "Solidarity" ["S"]. The purpose of this cooperation was at first only to form a "front of refusal" in the constitutional referendum. It soon turned out, however, that this cooperation had been dominated by the issue of the forthcoming presidential elections.

"S," SUC, and KPN met at the St. Catherine Convention, which prepared the criteria and mode of selecting their candidate for president. Decisions made at the convention are to help the center right and KPN, with the blessing of the "S" leader, select a person who will represent them in this fall's presidential elections. The KPN leader is also included among the possible candidates, even though his chances are assessed as rather small; the center right members would prefer a person who would not be so strongly associated with one party or a person who would not be so closely tied to a relatively strong grouping, which Leszek Moczulski's party today certainly is to the center right.

KPN, in turn, if it decides to run in the primaries of the St. Catherine convention, will have to put all its eggs in one basket: If the KPN chairman loses the center right conclave, then, to save face, he will have to withdraw—in line with the commitment he had made. However, it does not look like KPN leaders are scared by such a prospect, because they realize that Moczulski's presidential chances are rather slim. "We do not insist on supporting Leszek Moczulski; our candidate can also be Adam Strzembosz or some other person who wins the conclave," declares Krzysztof Krol.

NBP To Begin Floating Zloty on 9 May

WS2604131495 Warsaw GAZETA WYBORCZA in Polish 26 Apr 95 p 1

[Article by Piotr Orlik: "A Free Zloty Beginning 9 May"]

[FBIS Translated Excerpt] *During a meeting held yesterday, Prime Minister Oleksy, National Bank of Poland [NBP] President Hanna Gronkiewicz-Waltz, and Finance Minister Grzegorz Kolodko agreed that on 9 May the NBP will begin floating the exchange rate of the zloty, and by midmonth, at the latest, it is to lower basic interest rates, probably by three or four percentage points.* [passage omitted]

In a report disseminated before midnight yesterday, the Government Press Office curtly reported that "the adopted solution is to be implemented in the first half of May of this year, and is to be instrumental to a further decrease of inflation while maintaining the dynamic growth of production and falling unemployment."

The Minimal Plan

As we have learned unofficially, the prime minister coerced both sides to reach an agreement and approve a so-called minimal plan. Minister Kolodko consented to the introduction of a new system of fixing currency exchange rates beginning 9 May. In return, NBP promised to lower interest rates.

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Our sources claim that it is certain old interest rates will be introduced, which means the current ones will be lowered by three percentage points. The central bank is even considering a further decrease—perhaps by as much as 4 percent. NBP made the restriction that this will be possible only under the condition that inflation in April is to be no higher than the 1.7 percent in March.

The current interest rate on refinancing loans is 35 percent, on loans on stocks—34 percent, and on rediscount credits—31 percent.

What Will This Change?

The majority of economists claim that the introduction of a new system of fixing the currency exchange rate will cause the zloty to appreciate in value, which may have a negative impact on exports. That is why Kolodko insists that interest rates be lowered simultaneously. [passage omitted]

"If it turns out we will have to restrict the flotation process or even suspend it, we will lose economic credibility in the world," warns Kuczynski [economist]. "If NBP is successful in intervening on the market so as to ensure that the floating of the zloty will not be a hard blow to exporters, the zloty will become the leading currency in our part of Europe."

Kolodko Says No to State-Sector Debt Reduction

WS2604131395 Warsaw GAZETA WYBORCZA in Polish 26 Apr 95 p 2

[Article by "(west, ski)": "Kolodko: There Will Be No Debt Reduction in 1995; The Chasm of the Budget"]

[FBIS Translated Text] *The government learned yesterday that the debts of the Ministries of Health, Education, Justice, and National Defense amount to 1.430 billion zlotys [Z]. The finance minister announced that debts of the state sector will not be reduced this year.*

According to Government Spokesperson Aleksandra Jakubowska, the debt has grown by 41 percent in 1994, primarily due to the fact that the president delayed signing the budget. While there was no budget, the State Treasury lacked money so the finance minister introduced cuts primarily in the state sector. The debts thus grew. They are largest in the Ministries of Health—Z800 million, Education—Z520 million, Justice—approximately Z60 million, and National Defense—some Z56 million.

Debts Increasingly Longer

Deputy Prime Minister Grzegorz Kolodko explained that the debts would not be reduced this year because, as last year's practice has shown, such action slackens budgetary discipline.

The Education and Health Ministries opened 1994 with a debt of Z3.5 trillion and Z4 trillion (old) respectively. The government decided to reduce their debts. Between September and December, the Health Ministry received Z6.6 trillion (old), and the Ministry of Education—Z4.9 trillion (old).

The financial results of the state sector for 1994 surprised the Finance Ministry. Outstanding dues (the deadlines for which had passed) in the Health Ministry reached Z6.2 trillion (old), and in the Ministry of education—Z3.5 trillion (old). A Sejm commission debated the issue of the Education Ministry debt last week—over a period of two months it had grown to nearly Z5.2 trillion (old).

Give and Take

Deputy Education Minister Kazimierz Dera recommends saving measures to school superintendents: "It is impossible to implement any huge savings project because the educational objectives of schools have already been reduced to a minimum."

Meanwhile, the government yesterday required ministers and voivodes to develop savings projects, tighten the control of expenses, return all allocated funds to schools and health care centers without forming any informal reserves, and to pay outstanding dues to the tax offices immediately. The minister of health was additionally placed under an obligation to prepare a report on the activities of a commission that reviews cases of violating budgetary discipline.

Agrobank Bankrupt; 'Snowball Effect' Feared

WS2504130695 Warsaw GAZETA WYBORCZA in Polish 24 Apr 95 p 16

[Article by Hanna Nowakowska, "por," and "L.M.": "Agrobank Bankrupt"]

[FBIS Translated Text] *According to a balance sheet dated 7 November 1994 (the day the bank was suspended), Agrobank has some 3 trillion old zlotys [Z] in assets, Z300 billion of which are represented by unpaid interest on loans. The bank suffered a loss of Z1.3 trillion (old), the majority being reserves that have never been established for so-called difficult loans [trudne kredyty].*

Agrobank has 32 branches and employs 500 people. In a ranking of banks based on owned funds [fundusze wlasne] carried out by GAZETA BANKOWA, Agrobank was listed in 29th place. CASH claims GAZETA BANKOWA erred by putting a plus instead of a minus in front of the sum of Z3.2 trillion in the bank's losses. The bank never rectified the error, thus taking 16th position on the list of the safest banks in 1994 (ranking 3d among banks without State Treasury guarantees).

After one-and-one-half years of searching for ways of saving Agrobank, the Voivodship Court in Warsaw announced its bankruptcy at a closed session on Friday. Who sustained the greatest losses from the biggest Polish bankruptcy in recent years?

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Agrobank was established in December 1989 as one of the first five private banks in Poland. Its founders were private entrepreneurs (Board Chairman Aleksy Misiejuk, among others), companies, and cooperatives. The press reported on connections the founders of the bank had with the Rural Youth Union.

Agrobank was one of the most dynamic private banks. It quickly developed a network of branches and attracted new clients by offering, for example, competitive loans. There were press reports, however (for instance in RZECZPOSPOLITA and SZTANDAR MLODYCH), accusing the bank's president of mismanagement and draining the bank of money which he funneled into his own companies.

Losses Despite Profits

In December 1994, the auditing services of the National Bank of Poland [NBP] stated that despite declared profits, the bank was sustaining a loss. On 7 November 1994, NBP suspended the operations of Agrobank, established a commissary board, and filed a bankruptcy claim with the court.

Arthur Andersen, the company commissioned by NBP to audit the financial condition of Agrobank, also uncovered many wrongdoings in Agrobank's balance sheets. The bank's board, despite the obligation it had, did not create reserves for outstanding debts and unpaid loans. Liabilities were not sufficiently tracked.

No Money for the Handicapped?

Agrobank wanted to allocate its means to save the State Fund for the Rehabilitation of the Handicapped [PFRON], which had a deposit of Z200-300 billion (old). It did not, however, come forth with a formal offer. "We wanted to recover our deposits this way," former PFRON President Leszek Kwiatek told GAZETA WYBORCZA. "We did not find partners who would put up the rest of the sum we needed, so we backed out."

Pekao SA and the Agricultural Social Security Bank [Kasa Rolniczego Ubezpieczenia Spolecznego—KRUS], also attempted to save Agrobank, in which they had deposited huge sums. Without any success.

Court proceedings against Agrobank were finalized on 10 April. NBP was unable to find anyone willing to liquidate the bank's assets and pay out the money that could be earned on that. Banks such as Pekao SA, the Economic Initiatives Bank, and the Food Industry Bank declined.

The bank finally decided to appoint a natural person as the official receiver. At a closed session on Friday it issued a ruling sealing the fate of Agrobank.

One Bankruptcy After Another?

Will the fall of Agrobank cause a snowball effect? Approximately 6,500 small companies had accounts in the bank. They now face the threat of bankruptcy due to insolvency. "As many as 20,000 people employed in those firms may lose their jobs," says Lech Wejman, head of the commissary board.

The fall of Agrobank may also shake the Bank Guarantee Fund [BFG] currently being formed, which will have to repay the deposits of Agrobank clients. BFG was to receive Z1 trillion (old) in its first phase of operations. Meanwhile, estimates show that payouts to Agrobank customers will devour one half or perhaps even two thirds of that sum. The unfortunate clients of Rolbank and several cooperative banks are already standing in line, waiting to be paid.

Agrobank has more than 19,000 creditors which it owes nearly Z1.6 trillion (old). The majority are natural persons.

Creditors include PFRON, KRUS, unemployment offices, the Agency for the Modernization and Restructuralization of Agriculture, Pekao SA, several universities, and even tax offices.

Institutions and individuals who deposited more than ECU3,000 (approximately Z100 million old) in Agrobank will recover their money only if anything is left over after the bank is liquidated, as they are not eligible for refunds from BFG.

Who Had Bank Accounts at Agrobank (in Billion Old Zlotys)

PFRON	200
Polish oil mining and gas engineering	100
21 cooperative banks	50
KRUS	50
Palace of Culture and Science	40
Pekao SA	20

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CE Faults Country's Minority Rights Behavior

AU2604144295 Bucharest Radio Romania Network in Romanian 1000 GMT 25 Apr 95

[Report by correspondent Dan Preda in Strasbourg]

[FBIS Translated Text] The Judicial Commission of the Council of Europe [CE] Parliamentary Assembly this morning discussed and adopted the Columberg report regarding respect for obligations and engagements assumed by the Council's member states. From the start, the report says that procedure for supervising the respective engagements—in other words, the monitoring process—applies to all member states.

It is very important, however, that one amendment was adopted unanimously, as Judicial Commission member Senator Gheorghe Frundastated said, an amendment that provides that member states or candidates for admittance must comply with Recommendation 1201, and observance of this recommendation will be included in the monitoring process. This amendment was put forward by Lord Finsberg, and is coauthored by the leaders of four important political groups of the Assembly. It has every prospect of being adopted in plenary session tomorrow. The proposal for this amendment can probably be connected with President [of the CE Parliamentary Assembly] Martinez's latest statements regarding Recommendation 1201.

One should also mention that although it applies to all member states, only those admitted after 1990 have pledged to observe it.

The Judicial Commission also adopted another proposal for an amendment to the Columberg report, according to which the monitoring will be carried out by three rapporteurs, the third representing the commission for nonmember countries.

[Announcer] Our special correspondent Dan Preda also reported late last night that at a news conference yesterday on the occasion of the opening of the CE Parliamentary Assembly's spring session, Assembly President Miguel Angel Martinez made a statement regarding his recent visit to Romania in which he said, and I quote: I thought Recommendation 1201 was obsolete, but I realized that it is very important for it to remain a document of reference, because there are people who refer to this text. In Romania I was surprised by something that greatly confuses and worries me, and that is that the practice [dinamica] of minority rights seems to have embarked on at least a descending path, said President Martinez, as our special correspondent reported, somewhat in contradiction, to put it euphemistically, with the statements he made in Bucharest.

Our correspondent also reports that according to sources in the Bureau of the Assembly and among the political group leaders, Mr. Martinez has been urged to mitigate his statements about Romania. Rather than doing that, however, he said, and I quote: I see in Romania an embarrassment and a reticence toward the Hungarian minority. Complaints are heard and a fuss is made about forces in Hungary stirring up the Hungarian minority, but there are strictly the same mechanisms in operation from Romania regarding the Romanian minority in Ukraine. Thus, everything that is denounced and criticized regarding a minority that lives in your country is reproduced regarding your minority in your neighbor's country.

This is a very ugly practice, a very ugly practice, said Mr. Miguel Anghel Martinez, president of the CE Parliamentary Assembly, at a news conference yesterday on the occasion of the opening of the Assembly's spring session.

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Silajdzic Meets Bosniak Assembly Deputies

AU2604201295 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1700 GMT 26 Apr 95

[FBIS Translated Text] Today, Dr. Haris Silajdzic, prime minister of the Republic and Federation of Bosnia-Herzegovina, had working consultations with the Bosniak bench at the Constituent Assembly of the Federation. This meeting was attended by representatives of the majority of the parliamentary parties that have Bosniak deputies. During the talks, several questions of importance for the Washington Agreement and the implementation of the Constitution of the Federation were discussed. The preparation of the laws on defense (?in) the Federation, the law on internal affairs, and the need to adopt the law on human rights that the government had already submitted to the Constituent Assembly were especially deliberate upon.

It was ascertained that this form of contact between the government and the Assembly should be affirmed as a regular practice, particularly when preparing Constituent Assembly sessions.

Prime Minister Silajdzic announced that he will propose to the Croatian bench that consultations be held on the same issues [word indistinct], which should be held soon.

World Islamic Committee Delegation Welcomed

AU2604170295 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1300 GMT 26 Apr 95

[FBIS Translated Text] Today, Dr. Haris Silajdzic, prime minister of the Republic and Federation of Bosnia-Herzegovina, and aides received a delegation of the World Islamic Committee of Kuwait, headed by ('Abd-al-'Aziz Rajia), deputy chairman of the committee. The World Islamic Committee developed significant activities in extending aid to Bosnia-Herzegovina, in which a very good cooperation with Bosnia-Herzegovina Government has been realized.

In the talks on furthering the aid, the organization's representatives showed great interest in extending support to the government program for stimulating production and asked for more detailed information on specific projects that have been promoted by the government. The readiness of the World Islamic Committee to provide support for the construction of a settlement for the return of refugees was expressed.

Prime Minister Silajdzic thanked the committee for the generous help and stressed that the government especially appreciates the organization's already realized programs on food production and thanked them for the organization of medical centers and the provision of aid to medical institutions. The prime minister proposed that the aid be intensified within the framework of the possibilities in the regions that are in a very difficult situation due to the aggressor's blockade.

Bosnian Serbs Issue Statement on Hague Tribunal

LD2604164895 Belgrade SRNA in Serbo-Croatian 1335 GMT 26 Apr 95

[FBIS Translated Text] Sarajevo, 26 April (SRNA)—The government of the Srpska republic does not recognize and does not attach any importance to the so-called Hague Tribunal and its activities and holds that its establishment and work are aimed at politically disqualifying the Serb nation and its legitimate right to self-determination.

A public statement issued by the Srpska republic Ministry of Information says:

The government and the people of the Srpska republic do not recognize and do not attach any importance to the so-called Hague Tribunal and its activities. The establishment of The Hague Tribunal and its entire activities are aimed at politically disqualifying the Serb people, denying them their legitimate rights on the territory of the former Yugoslavia, exposing them to media demonization, and at supporting the real instigators of the war who attempted to carry out genocide over the Serb people for the third time this century.

The undeniable military and political supremacy of the Serb side in the civil war in the former Bosnia-Herzegovina, a side that was designed to be destroyed, its victory achieved by regular means of the liberation struggle, cannot be used as evidence that this side has committed crime.

Apart from false reports by media and various emissaries; from false testimonies; apart from unrealistic and unsubstantiated reports of concentration camps, mass rapes, and ethnic cleansing; from political insinuations by politicians and governments of certain states which have been traditionally inclined against the Serb nation throughout history, there is no other or more convincing evidence about the alleged war guilt of the Serbs.

On the other hand, there is credible and incontestable evidence of crimes committed by the other two warring sides which has not been accepted due to the anti-Serb campaign and which to a great extent implicates some of the Muslim and Croat allies including the advocates and sponsors of The Hague Tribunal. The Hague Tribunal and similar institutions in the West are through their emissaries and officials directly or indirectly taking part in an attempt to destroy the evidence and remove the perpetrators of the crimes and their links and subordination to the highest Muslim and Croat authorities.

The government of the Srpska republic is of the opinion that the very act of setting up The Hague Tribunal and its activities have proved to be a form of criminal support for war criminals in former Bosnia-Herzegovina.

The Hague and similar tribunals will acquire the international credibility to pass judgement on possible crimes committed by the Serbs in their struggle for their

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national rights only when the following are brought before the war crimes' tribunal and sentenced: Those who caused the break up of Yugoslavia and provoked the war by their political decisions and their premeditated acts; those who armed and provided military support to the enemies of the Serb people; those who in their capacity as international mercenaries during three years of war in Croatia and Bosnia destroyed Serb property, carried out ethnic cleansing and shed innocent Serb blood; and also those who in their evil malice realized their alleged interests and imperialist ambitions in Vietnam, Iraq, Angola, Haiti, and everywhere else where people and nations have been oppressed and murdered, from the German genocide inflicted on the Jews, Serbs, and Romanies to the Turkish genocide against the Kurds.

The statement by the Information Ministry says: Until, in the world and especially in West Europe, the system of international and war-related law is raised to this level of appreciation of justice [pravodoljublje], the judicial institutions of the Srpska republic will judge all those who have violated humanitarian and wartime law.

Krajisnik on Speculation of Mladic-Milosevic Talks

AU2604131395 Belgrade TELEGRAF in Serbo-Croatian 26 Apr 95 p 3

[Interview with Pale assembly chairman Momcilo Krajisnik by Goran Rosic; place and date not given: "General Mladic Goes to Belgrade Frequently, He Is a Friend of the Yugoslav Army Officers, and the Meeting With Milosevic Must Have Happened Spontaneously"]

[FBIS Translated Text] [Rosic] A few days ago General Ratko Mladic had a meeting with President Milosevic. Did the political leadership of the Srpska republic know about Mladic's trip to Belgrade?

[Krajisnik] Gen. Mladic goes to Belgrade frequently because of his friendly connections with high-ranking officers of the Yugoslav Army, and his closest family is also in Belgrade so he must have decided that, since he was already there for private reasons, he could have that meeting. It must have happened spontaneously. I have no reason to speculate over this.

[Rosic] According to some media reports, it is uncertain whether Gen. Mladic has returned to the Srpska republic at all.

[Krajisnik] As soon as such stories are launched, all sorts of rumors get started. There is no reason for any speculation over whether or not he has returned to the Srpska republic. Why should he not have returned?

[Rosic] Have you contacted him?

[Krajisnik] I have not contacted him since I was visiting my family at home for Easter. I only got back on Monday [24 April] morning.

[Rosic] There is talk that, at the latest closed session of the Srpska republic assembly in Sanski Most, there was a rift between the political and military leadership of the Srpska republic and that certain deputies were even demanding Mladic's resignation.

[Krajisnik] As you have said yourself, the session was closed, and if it is closed, then it is also secret. Everything that was discussed at that session was discussed with the aim of finding the best solution for the Srpska republic. There was no rift as someone is trying to suggest to the public.

[Rosic] How would you comment on the recent secret meeting between Izetbegovic's special envoy Muhamed Filipovic and Serbian President Slobodan Milosevic?

[Krajisnik] Mr. Filipovic never comes with good intentions. We have experience with him. I believe that he will use that meeting to compromise his collocutor. I do not think that it is a bad thing for Milosevic to have meetings with the Muslim side, but this person was a bad choice.

[Rosic] Alija Izetbegovic recently announced a visit to Belgrade.

[Krajisnik] Why not? We have to talk even to our worst enemies. We can only reach peace through talks, although it is not true that peace has no alternative. It is the state and freedom of the Serbian people that has no alternative.

[Rosic] Has the Srpska republic leadership had any recent contacts with the Muslim side?

[Krajisnik] I have had several meetings with the representatives of the Muslim side at Sarajevo Airport. If we were to accept the Contact Group plan, I know for a fact that the Muslims would not agree to talks on the exchange of territories. For example, if we were to give them Brcko, they would never agree to return it to us in some exchange and this town is the key to our republic. The exchanges that are being promised are actually a big trick. They will not agree to give us towns in exchange for woods and fields.

[Rosic] Have you been the only one to have contacts with the Muslim side?

[Krajisnik] No, I am only talking about my contacts, but of course there have been others.

[Rosic] Who was the negotiator for the Muslim side?

[Krajisnik] Let us leave some things secret.

Helicopter Flights From Serbia Resupplying Army

AU2704110195 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1000 GMT 27 Apr 95

[FBIS Translated Text] On the Zvornik-Teocak front the chetniks have been using artillery against civilian targets on the free territory. They have been using tanks to fire

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at Kovaci, Vitinica, and Godusa, and mortars and howitzers at Sapna and Zaseok. The chetniks have fired over 250 shells and the material damage inflicted is considerable.

The Serbian-Montenegrin aggressor and Karadzic's chetniks are still receiving their supplies in equipment, ammunition, and weapons from Serbia. Late last night 29 helicopter flights were registered over Mt. Majevica. They were flying on the Serbia-Majevica-Sekovici route. The supplies are distributed to various fronts from Sekovici, reports the Information Service of the Bosnia-Herzegovina 2d Corps.

Karadzic Thanks Greek Volunteers for Aiding Serbs

AU2604122495 Belgrade NASA BORBA in Serbo-Croatian 26 Apr 95 p 3

[Article by SRNA: "Karadzic and Krajisnik Receive Greek Volunteers"]

[FBIS Translated Text] Sarajevo—Radovan Karadzic, president of the Srpska republic and Momcilo Krajisnik, speaker of the Srpska republic assembly received in Pale, in honor of the great Orthodox Easter holiday, Greek volunteers who are part of the Drina Corps units. "It is a great pleasure to meet you and to thank you for everything that you and the entire friendly Greek nation are doing for the Serbs," President Karadzic said, and stressed that the image of the Serbian people worldwide is slowly changing owing to the fact that their struggle is supported by Greece. President Karadzic and Krajisnik presented the Greek volunteers with silver medallions engraved with the Nemanjic coat of arms and the image of the White Angel.

Serbian Military Industry System Detailed

AU2704092595 Sarajevo OSLOBODJENJE (Bosnian) in Serbo-Croatian 11 Apr 95 p 5

[Article by Suad Arnautovic: "Aggressor's Factories of Death"]

[FBIS Translated Text] The whole military and industrial complex west of the Drina River, as a constitutional part of the aggressor's war machinery, is supported by Serbia and Montenegro and serves the achievement of their military aims. The definition of war tasks, the appointment of managers and leading structures in general as well as the design, control and the distribution of products are under the control of the Belgrade General Staff.

Center in Banja Luka

Let us illustrate this statement with several examples. The M-80 "Vidra" combat infantry vehicle is manufactured in Banja Luka on the basis of the design for the M-80 vehicle developed already at the time of the Socialist Federative Republic of Yugoslavia and the Yugoslav People's Army. The difference between the present and the old design is a new form of the turret with the built-in 30-mm automatic gun and the equipment of the vehicle with two guided missiles of the "Maljutka" type. In order to start the assembly line manufacturing of this combat vehicle, it was necessary to resume the manufacturing of heavy engines at the "Famos" Factory, whose plants care for the combat readiness not only of the so-called Army of the Srpska republic but also of the armored units of the so-called Yugoslav Army and the so-called Army of the republic of Serbian Krajina.

Antiaircraft missiles of the so-called Yugoslav Army are also maintained in Banja Luka, at the "Kosmos" Maintenance Institute. This was the only institute in the whole of the former Yugoslavia that could overhaul the "Neva," "Kub," "Strijela 1," "Volov," and "Dvina" missile systems. Apart from that, the most modern antiaircraft systems, which are a part of the chetnik army equipment, manufactured at the "Bofors," a Swedish company (relatively often used around Sarajevo), are maintained at this institute. In the end, "Kosmos" also maintains antiship missiles of the "BROM-1" and "BROM-2" types, which are also a part of the Chetnik army equipment.

Cluster Bombs From Vogosca

The tanks of the M-84, T-55, T-34 and T-72 are overhauled in Zaluzani near Banja Luka, where the tank park of the so-called Army of the Srpska republic is situated. The presses for the manufacturing of ammunition are manufactured at the "Jelsin Grad" Factory. The ammunition packaging materials are manufactured in "Incel," and the complete telecommunications equipment and spare parts as well as some modern fire-control systems are manufactured by the "Rudi Cajavec" factory. This concentration of the military industry undoubtedly makes Banja Luka the chetnik military industry center.

Before the war the "Orao" Maintenance Institute of Rajlovac performed overhauls of aircraft engines now used by the so-called Yugoslav Army. Jet engines of the "Viper" type, 600 series, for the aircraft of the "Jastreb," "Supergaleb" and "Orao" types used to be manufactured here according to a "Rolls-Royce" license. The "Tumansky" type engine for the MiG-21 aircraft were also overhauled at "Orao."

The "Pretis" Company of Vogosca manufactures artillery and infantry ammunition and missiles, including 60- and 82-mm mortar shells, which were not manufactured in this factory before the war. Gun barrels and armored transporters are also manufactured and overhauled here. Aircraft bombs—among others also the FAB 250 cluster bomb—computer-controlled depth aircraft bombs, artillery ammunition, rockets and similar weapons used to be manufactured here before the war. In the middle of 1994, this factory started the assembly line production of M-63 "Plamen" missiles on the basis of a design elaborated by the Institute of Military Technology

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of Belgrade, the production of which had been abandoned in the former Yugoslavia. The more modern version of it, the "Plamen 2" missile cannot be manufactured on the assembly line yet because it is not possible to produce certain types of gunpowder.

"Elektrobosna" of Jajce manufactures ferrosilicon, a strategic raw material, for all so-called Serbian countries, which can then exchange it for ferrous alloys that used to be produced at the FENI Factory in Macedonia [The Former Yugoslav Republic of Macedonia—FYROM] and in Sibenik before the war.

In the so-called Serbian company of "Zrak" in Teslic all sight instruments, apart from laser ones, are manufactured and overhauled. There is also a small plant of this company in Ivancici.

The military industry controlled by the Croatian rebel Serbs also plays an important role in this military industry complex.

The factory of bolts in Knin ("TVIK"] manufactures infantry ammunition up to a caliber of 7.9-mm and 9-mm pistol ammunition. Professional support comes from Uzice, and the pyrotechnics and gunpowder come from Lucani.

Abundant Help

The "Marko Oreskovic" Factory of Licki Osik, which used to be the reserve "Pretis" plant, manufactured the light camouflage mine with instantaneous action of 120-mm caliber and shells for self-propelled guns, but a part of that factory is held by the Croatian Army now, so that the rebel Serbs had to move the manufacturing plants to Banja Luka.

Mortar barrels are manufactured at the factory of hydraulic cylinders in Obrovac and its plant in Dvor na Uni. The machines for the manufacturing of hydraulic cylinders, which are used for the manufacturing of mortars too, were removed from the Sisak Ironworks by the former Yugoslav People's Army even before the war. Gun recoil buffers and barrel recuperators are manufactured in Obrovac too.

The machines for the manufacturing of machine parts for rollers and presses are situated in Glina, and the process for the manufacturing of tank gun covers has been mastered too.

All these factories are interconnected to form a unique system, able to perform tasks for the brothers across the Drina River.

In return, the rebel Serbs in the Republic of Bosnia-Herzegovina and the Republic of Croatia are given abundant help in raw materials, energy, final products, and know how.

Huge Machinery

Apart from the Center for Strategic Studies of Belgrade, which makes strategic assessments and prepares "scientific" analyses and proposals for combat activities, there are also the Institute of Military Technology and the Center for Technical Experiments in Belgrade, the Iron Foundry in Kikinda, the Ironworks of Niksic, "Sloboda" of Cacak, a factory for the manufacturing of ammunition for antiaircraft guns (it completely supports the Bosnian chetniks with the ammunition for antiaircraft tanks), the factory of artillery ammunition and missiles "Krusik" of Valjevo, which manufactures antiaircraft missiles "Strijela 2M," the "Milan Blagojevic" Factory of Lucani near Belgrade, and the factory for the processing of nonferrous metals "Slobodan Penezic Krcun" of Sevojno, which supplies "Pretis" of Vogosca with brass for artillery ammunition shells. The factory for the manufacturing of explosives "Prva Iskra" of Baric near Obrenovac manufactures trotyl hexogen and pentrite [types of gunpowder] (it supplies "Pretis" of Vogosca with gunpowder and explosives). Apart from these, there are also the Foundry of Iron and Cast Iron of Kikinda that manufactures castings for mortar shells, the factory of electric and telecommunications equipment "EI" of Nis, the factory of ammunition "Prvi Partizan" of Uzice, the "FAP" Factory of Priboj on the Lim River, where large caliber grooved barrels are manufactured, the factory of light infantry weapons "Crvena Zastava" of Kragujevac and many others.

All of these factories of death support the war against Bosnia-Herzegovina and Croatia. In view of this, the policy of the Croatian leadership, who made an agreement with rebel Serbs according to which the latter are allowed to join the Croatian electric-energy supply system, is incomprehensible. This agreement has enabled the army that is directly waging war against Bosnia-Herzegovina, but also against Croatia, to be supplied with the strategic raw materials, electricity and oil.

Official Meeting About Sarajevo Airport Scheduled

AU2704085395 Paris AFP in English 0826 GMT 27 Apr 95

[FBIS Transcribed Excerpt] Sarajevo, April 27 (AFP)—UN negotiators are to meet Thursday [27 April] with Bosnian Serb and government officials in a bid to get them to reopen Sarajevo's Airport, a day after the Serbs again refused to allow a plane to land because it was carrying civilians.

UN deputy Civil Affairs Coordinator John Ryan is to meet Serb official Maksim Stanisic at the Serbs' Lukavica barracks outside Sarajevo at 2:00 p.m. (1200 GMT) to go over progress made at talks in the Serb stronghold of Pale on Wednesday.

An hour later the UN officials will chair a tripartite meeting with Bosnian Serb and Bosnian Government officials seeking to reconfirm a 1992 agreement under which the airport would be operated by the United Nations. The accord has been violated on numerous occasions by the Serbs in recent weeks.

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The Serb liaison officer at the airport on Wednesday ordered a UN Antonov-26 military transport plane to turn round midflight because senior Serb officials objected to the United Nations transporting in civilian passengers. [passage omitted]

UN special envoy to ex-Yugoslavia Yasushi Akashi is expected to come to Sarajevo at the weekend to complete the talks and in time to put pressure on both warring parties to agree a renewal of the current ceasefire. [passage omitted]

However, UN officials point out that Bosnian Serb leader Radovan Karadzic, whose civilians get a 23 percent cut on any humanitarian aid flown into Sarajevo, cannot be unaware of his own interest in restarting the airlift operations. UNPROFOR [UN Protection Force] insists meanwhile that the talks over the airport will be a simple "clarification" of the existing agreement.

5th Corps Advances Toward Croatian Border

LD2604174595 Zagreb Radio Croatia Network in Serbo-Croatian 1700 GMT 26 Apr 95

[FBIS Translated Excerpt] Formations of the 5th Corps of the Bosnia-Herzegovina Army have again advanced toward the border with Croatia on the front south of Bihac, and they have taken the strategically important elevations of Veliki Skocaj and (Cot).

UN military observers have reported that the 5th Corps most probably caused damage to the Krajina Serbs' radar system on Mt. Pljesevica, when three shells were fired at it. The Serbs fired 15 shells at the Bihac safe area yesterday; 10 of these hit the center of Bihac, UN Protection Force [UNPROFOR] military observers confirmed today. [passage omitted]

Serbs Suffer 'Total Fiasco' on Brcko Front

AU2704105595 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1000 GMT 27 Apr 95

[FBIS Translated Text] The Serbian-Montenegrin aggressor's army has suffered a total fiasco on the Brcko front, and has suffered huge losses in its offensive against our free territories. This has been confirmed by the fact that the chetniks yesterday used artillery and tanks to target the free Brcko territory. Boderiste, Vranovaca, Palanka, and (Ogredenovac) all came under attack. From the direction of Sumari, the aggressor fired 15 shells from a self-propelled gun [samohodka], 10 from tanks from the direction of Tadici, 200 120-mm and 82-mm mortar shells from the direction of Cadjavac, and 40 howitzer shells from the direction of Brezik. There have been civilian casualties and the material damage is huge. The defense lines of the Bosnia-Herzegovina Army and the fighters of the 108th Croatian Defense Council Infantry Brigade remain firm and stable.

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Tudjman Speech to HDZ Central Committee

LD2604134695 Zagreb Radio Croatia Network in Serbo-Croatian 2040 GMT 25 Apr 95

["Highlights" of speech by President Franjo Tudjman, as president of the Croatian Democratic Community (HDZ), to the HDZ Central Committee in Zagreb on 25 April—recorded]

[FBIS Translated Text] [Announcer] Croatian Radio and TV, Croatian radio's First Program: We shall now broadcast highlights from a speech which the president of the Republic of Croatia, Dr. Franjo Tudjman, made in his capacity as president of the Croatian Democratic Community [HDZ] at the session of the HDZ Central Committee in Zagreb this evening, 25 April. The highlights have been compiled by Darko Herceg.

[Herceg] President Tudjman opened his speech by assessing Croatia's position on the international scene.

[Tudjman] What I have to say will not be new but I must repeat once again that Croatia's international position is not only stable, it is much better than we could have imagined a year or two ago. At the same time, our internal democratic system, which we have been building under the HDZ leadership, is so stable, both from political and economic point of view, that it has served as a basis for consolidating the international position of sovereign and democratic Croatia. This position is perhaps best reflected in the general view of the international community that only Croatia has such a stable democratic system which, as a result of its political stability, has made its economic stabilization possible and—unlike the case in many other socialist countries—has ruled out any possibility of restoring the old system and putting communists back in power. Only Estonia has similar (?advantages).

However, when speaking about the stability of the (?internal) situation, and, by implication, of Croatia's international position, we cannot be satisfied with this assessment. We must understand that Croatia is part of the world as it is, the world in which the main European and world superpowers—whose influence on international relations and, by implication, the efforts to resolve the crisis in former Yugoslavia is crucial—do not have unanimous views. In other words, the policy is prevalent among them of imposing one's will or of looking for solutions which, in most cases, result in making compromises in order to avoid creating tension among the main world super powers.

In concrete terms, we have very good relations with the main world superpower, the United States. We enjoy good relations with the EU as a whole and with the other world superpower, Russia. However, as regards the players that influence our position—i.e. the efforts to resolve the crisis in former Yugoslavia—we must bear in mind that these very players do not have identical views on how to resolve the crisis, the problem and the nature of the crisis in Bosnia-Herzegovina are genuinely complex, and the main world players are looking for a solution that will help them avoid creating tensions among themselves and—our people very often forget this—will not necessarily be in the interest of the peoples living here, but will be in line with the efforts to solve relations among the main players at the world level. There are individual interests not just at the level of the world, but also within the EU. In other words, each of the main European powers has its own individual policy.

Regarding this, the main European states and world superpowers particularly bear in mind the effects of their policy on the Islamic world in connection with the resolution of the Bosnian crisis which is directly linked to our situation.

However, despite these, not entirely defined, international circumstances, we can be very satisfied that in the political and economic sense the position of sovereign Croatia is stable and all these players whose views usually differ, as well as other states in Europe and the world, are of the opinion that Croatia is one of the most stable states in the political and social sense.

Although I have said before, and I stand by this, that the international position of the Croatian state is in all respects stable, firm, and in our own hands, we must be aware that a solution is not easy to find—precisely because the crisis in the territory of former Yugoslavia disrupted the international order which existed since the First World War, from Versailles to Yalta to today; because this is a geopolitical area that has seen confrontation and rifts between civilizations and a struggle for power between the big powers; because objectively speaking the situation in Bosnia-Herzegovina is very complicated and, if you like, the most complex in today's world. We are faced with three nations there, three civilizations, and three religions. Precisely because of this, in the framework of a search for solutions, we still have—and over the last few months this process has intensified—ideas that have been expressed along the following two lines: Firstly, the international community, the European powers, and world states recognized Croatia, Slovenia, and Bosnia too early; and [secondly] in view of the fact that it is difficult to find a solution, it would perhaps be the best thing if a solution were to be found in the framework of the renewal of some kind of south Slav confederation or a Balkan confederation or—something which supposedly would be best for us—an Adriatic confederation.

These are not the official proposals of any major states that are taking part in finding solutions or are in the Contact Group, but they are present in political thinking. Thus, these ideas are not only those of a Serb emigrant from Croatia, from Knin, called Vukobrat, a well-known businessman from Paris who has very good connections in all the countries of the former Yugoslavia and also elsewhere in the world [as heard]. Such proposals were not put to the EU by chance. These ideas are at the same

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time being repeated at some gatherings. Such gatherings are organized in Croatia, too, from Opatija to Zagreb and vice versa. These ideas are also coming directly from diplomats.

External pressures are continuing because Croatia bears most of the blame for the disappearance of the Yugoslavia that the world was interested in ever since the Versailles order. According to the Western view, Tito's regime ensured that after butchering each other, the nations could live together in peace. Therefore, all you need to do is replace several people and create conditions again for peace and the resolution of the international crisis in that area.

That is why we had difficulties over our demands for a speedier integration of the occupied areas—all those difficulties we had with the UNPROFOR [UN Protection Force] mandate and now with the definition of the new mandate for the peacekeeping troops. Naturally, this was accompanied by organized efforts to destabilize Croatia. In order to destabilize Croatia and to create conditions for changing the status of Croatia and Croatian policy, the HDZ—as the majority party in the Croatian Parliament and as the party on which the political system and the building of a democratic Croatia is based—had to be destabilized.

This effort to destabilize Croatia, directed primarily towards destabilizing, compromising, and slandering the HDZ is being carried out not only by former communists and Yugo-unitarists but also by members of the Ljotic movement. Some of you, the majority of the young ones present here, probably do not know that members of the Ljotic movement were Serb fascists in former Yugoslavia. These people are now regularly appearing in certain Croatian papers to destabilize not only the HDZ but also the Croatian state.

Recently we have seen attempts to destabilize the HDZ and Croatia over two issues and in two areas. The first is the World Istrian Congress. It is likely that not only most of the members of the Istrian Democratic Assembly [Istarski Demokratski Sabor—IDS], but also most of the people leading the IDS, are not aware that they have been used by the people who advocate a policy which is shared by Belgrade and Italian irredentists and by some services from Moscow to the West, from Paris to London and elsewhere. They want to reinstate the old order and thus destabilize Croatia, as in the case of Istria. I believe the majority of the IDS members and, as I said, its leadership were not aware that this was the case: Demands for Istria as a separate region, a transborder region, i.e. to include not only the Croatian part and the areas currently outside of the Istrian county, but also Slovene and Italian parts, in order to destabilize Croatia and to use it together with the so-called Krajina, the occupied areas, to bring about the collapse of the HDZ policy and a change in the Croatian state and political leadership that would enable them to go ahead with their plans.

Of course, an anticonstitutional program of Istria as an above-state region [naddrzavna regija], the calls for the demilitarization of Istria—as if the Croats have forgotten how a handful of Italian adventurers walked into Rijeka after the First World War and as if we are so stupid to disarm and let them have Istria. [as received] In other words, these demands, heard during the congress of Istrians were obviously designed to help not just our own domestic irredentists, our own lost souls and troublemakers, but also various foreign services and to promote imported ideas of how to reorganize both the people of former Yugoslavia and how to threaten—or if not threaten then to cause confusion in—the existing international order in Europe. This, in addition to anticonstitutional demands and attempts to undermine the constitutional order in Croatia and, by implication, in Europe, is part of the same theory which says that in order to achieve this, Croatia's current constitutional system must be identified with nothing more or less than fascism and Nazism. One of the ideologues of this movement in Istria, [Ivan] Puletta of IDS, goes as far as to call Croatia—and Slovenia—Nazi states.

In addition to the well-organized and thoroughly prepared affair of the Istrian congress, we are also facing attempts to compromise and defame the HDZ and the independent and sovereign state of Croatia in connection with the celebrations to mark the 50th anniversary of the victory over fascism. We are witnessing this at every step and the most obvious example of this is a declaration by something calling itself the Dalmatian Committee [Dalmatinski Odbor], which says that fascism is in power in today's Croatia and speaks about the Fuehrer principle, dictatorship, and about the reconciliation with the ustasha emigres as the main mistake of the current Croatian policy. For these gentlemen all Croats abroad, 3.5 million people in total, are all fascist-ustasha emigres. These are the same words that UDBA [state security service in socialist Yugoslavia immediately after World War II] used as an excuse to punish us for links with our emigrants abroad and to kill Croats abroad. These are the same people who are using these same words today in the independent and sovereign Croatia.

As evidence for their claim that Croatia is a continuation of the NDH [pro-Nazi Independent State of Croatia at the time of the World War II], they cite the introduction of the kuna [Croatian currency], while forgetting that the kuna was in use 1,000 years ago, not just here but in many other countries. In Geneva there is an international monument to the kuna as a symbol of monetary value, as a symbol of trade.

While on this point, I would like to say something about the policy of reconciliation which was the basis for setting up the HDZ and for founding and defending Croatia and which, as these attacks have shown, is the butt of the efforts to denigrate, to compromise, and to prevent further development of this policy, which is the foundation of our successes so far and which must remain the guarantee of our future successes. I want to

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tell those who criticize Croatia's authorities, HDZ authorities, and me, personally, for allegedly continuing the NDH policy and for allegedly bestowing honors on an ustasha official that if I did bestow honors, it was not because the person was serving as an Ustasha official—they are probably referring to the case of [Ivo] Rojnica [Dubrovnik military commander in the NDH]—but it was because he was a man who, as an emigrant, was working on exposing the evil legacy of the sections of the ustasha movement that compromised Croatia—and it is questionable if they did compromise it—and which even before [World War II] was in favor of a broad-based rallying together of Croatians and which since the very beginning of the struggle for a democratic Croatia, has sided with us in defending Croatia both financially and politically.

In other words, we bestowed honors and invited everyone, from both the Left and the Right, to join the HDZ ranks and the ranks of Croatia's democracy in the struggle to defend Croatian state, not because we wanted to recognize shortcomings of the NDH policy but because—as I said at the first session of the HDZ—the NDH was set up as part of Hitler's new order and committed crimes as part of Hitler's new order, but the NDH cannot be seen only as a crime. It was a declared Croatian state that the Croatian people wanted. It is a different thing that the NDH shared the destiny of Hitler's Germany and fascist Italy and that at the same time the Croatian people had its own antifascist movement, more developed than in any other countries of former Yugoslavia, and that by the creation of the federal state of Croatia and its subsequent constitution, despite all other sufferings and evils of the communist regime. [sentence as heard]

In other words, we wanted to use the historical divisions among the Croatian people, this negative experience. We wanted, without any desire for revanchism and by a program of reconciliation and a joint struggle in which everyone who accepted the idea of a sovereign Croatia was invited to take part, to build such a Croatia. We have succeeded in this and we must continue along the same lines. These people—former war veterans, former communists, who seem to have forgotten that we invited both those who had been in the ranks of the NDH and those in the ranks of communists—we want to remind them that we have never resorted to any measures of revenge or repression against either the proponents of the communist system, who, of course, share a large amount of blame for all the evil that the Croatian people experienced in Bleiburg and Kocevski Rog.

I read recently an interview with Simo Dubajic. He said that he commanded a Dalmatian brigade that killed 30,000 Croats at Kocevski Rog, that he was proud of it, and that what he regretted was only that there were not 100,000 Croats there. Of course, Simo Dubajic was there to carry out a general policy.

So, we did not call people to account. On the contrary, we invited everyone, people from both sides in the Second World War. We extended our hand and said: Enough of these tragedies. We must rally around the program of democratic Croatia.

That is why these people, particularly the serious ones, who are still active in politics, who are members of parliament or leaders of certain parties, should think this over instead of working to cause not only the destabilization and weakening of Croatia but perhaps even new rifts among the Croatian people by accusing today's democratic Croatia of fascism and Nazism.

Therefore, when we speak about the fifth anniversary of the Croatian statehood, the existence of an independent Croatian state, and the celebration to mark the 50th anniversary of victory over fascism which is taking place at the same time, we, members of the HDZ, have the task to promote our program and prevent new rifts among the Croatian people and the weakening of the Croatian position on the international scene, which are all designed to force us, the Croatian people, back into the system, from which we had to pay a high price to escape.

Talks on Prevlaka Produce 'Significant Decisions'

AU2604191695 Belgrade RTB Television Network in Serbo-Croatian 1730 GMT 26 Apr 95

[Report by Vasko Knezevic from Dubrovnik—recorded]

[FBIS Translated Text] After an eight-hour session in the Dubrovnik Hotel President in Babin Kuk yesterday, an interstate commission for Prevlaka, chaired by the UN secretary general's special envoy, Yasushi Akashi, passed several significant decisions.

Both sides agreed to form a joint subcommission for Prevlaka, which will consist of the commander of the police administration for Dubrava-Neretva County, the commander of the Herzeg Novi Security Center, and a UN representative.

The authorities of this subcommission will be determined at the next meeting, which will be held in Montenegro next month.

Both sides also pledged to avoid any sort of provocations in the forthcoming period. The Montenegrin delegation consisted of deputy Prime Minister Zoran Zizic, Interior Minister Nikola Pejakovic, and Berislav Srdanovic, foreign affairs' adviser to the president of the republic. The Croatian side was represented by Interior Minister Ivan Jarnjak, his assistant, Josko Molic, and General Petar Stipetic, assistant to the General Staff Commander.

What did they say after the talks?

Mr. Yasushi Akashi, under whose auspices the meeting was held, expressed satisfaction with both sides' readiness to resolve problems peacefully. The sheer fact that the Croats and the Montenegrins, after a two-year hiatus, sat down at the negotiating table in an atmosphere of understanding and tolerance indicates that things have moved toward peace.

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Montenegrin Deputy Prime Minister Zoran Zizic, as a representative of a country that favors the peaceful resolution of conflicts, satisfied with the outcome of the talks and the efforts by both sides to create a constructive atmosphere, praised Mr. Akashi, who strived unselfishly to channel the situation in this direction.

Croatian Interior Minister Ivan Jarnjak was of the opinion that normalization is closer following last night's talks and that no solution can be implimented to the detriment of either side.

Following exhausting talks, the Croatian side hosted a dinner for the Montenegrin delegation, Mr. Akashi, his assistants, and the numerous reporters who were assembled.

Martic: Resolution 981 'Completely Unacceptable'

AU2604185795 Knin Srpski Radio Network in Serbo-Croatian 1900 GMT 25 Apr 95

[FBIS Translated Text] The president of the Republic of Serb Krajina [RSK], Milan Martic, is on a two-day working visit to western Slavonia. Today, he met with the representatives of the Serb municipality of Pakrac. President Martic is accompanied by the commander of the Serb Army of Krajina, Lieutenant General Milan Celeketic. Dragana Petrovic reports from studio Okucani:

[Begin recording] The recently voted UN Security Council resolution is completely unacceptable. It is the dictate of the interests of the West forces, but it cannot and will not be actualized unless the Serb people accept it, RSK president Milan Martic stated at today's meeting with civilian and military authorities and the clergy in Serb Pakrac. Having been introduced to the vital problems of all the citizens in the RSK, primarily those in the region, President Martic pointed out that western Slavonia was an integral and indivisible part of this Serb state, and that all the talk about ceding this or some other part of the Krajina territory are mere insinuations.

The president also commented on the new mandate of the UN forces, suggesting that there is a need for the peace forces to stay in the area, but not to be allowed to establish control or place borders between Serb peoples and Serb lands, which, according to him, must not and will not happen. As far as the implementation of the economic agreement is concerned, President Martic pointed out that there is a need for economic cooperation, based on the equal relationship of the conflicting sides. He added that the operation of the Zagreb-Belgrade railroad would endanger the security situation in western Slavonia.

Commenting on yesterday's blocking of traffic on part of the highway through western Slavonia, the president said that the traffic on this road will be blocked again if it continues to function in a way that only suits Croatia. I am sure that we will have the necessary patience and strength to realize our interests before the final political solution—the creation of a unitary state of the Serb people in the former Yugoslavia, the first step toward this goal being the unification of the RSK and the Srpska republic, said President Martic, who, after the meeting, addressed the citizens of Serb Pakrac at a public gathering.

President Martic will complete his two-day working visit tomorrow by visiting Stara Gradiska, where he will hold a working meeting with the representatives of the military and civilian structures, and he will also hold a forum in Okucani. [end recording]

UN Security Council Resolution 981 Analyzed

95BA0220C Zagreb VJESNIK in Serbo-Croatian 5 Apr 95 p 8

[Article by Dr. Zvonimir Baletic, professor and director of the Economics Institute in Zagreb: "The Myth of 'Great Serbia' Is Disintegrating"]

[FBIS Translated Text] Resolution 981 has defined the political framework for restoring peace and reintegrating the presently occupied territories under the sovereign authority of the Republic of Croatia. That is what the Vance Plan lacked and what has been the stumbling block of Security Council resolutions heretofore, which have also recognized the sovereignty and territorial integrity of Croatia in principle, but their implementation was always conditional upon a general political solution on the territory of the former Yugoslavia, leaving it to the parties to the conflict to find such a solution through mutual negotiations. The Vance Plan's "refusal to prejudice" a political solution thus turned into prejudice on behalf of the status quo, that is, on behalf of those who rejected a priori talk about reintegration into the Croatian state, i.e., to the advantage of the rebellious Serbs and their sponsors.

That situation has been the main impediment to negotiation with the rebellious Serbs on all other issues as well, because any such agreement might be interpreted and applied differently. The rebellious Serbs obviously have tried to take advantage of this kind of negotiation not only to solve practical problems in which they were interested, but also to strengthen the appearance of having statehood. It is in that light that they have been attempting to interpret the Zagreb agreement on the cease-fire and separation of military forces, as well as the economic agreement. The Croatian side has, of course, been rejecting such interpretations, but it has also feared the absence of an acceptable political agreement and a perpetuation of the uncertainty for an indefinite period in the future. The Z-4 Plan, which has emerged in the meantime, suffered from the same shortcoming, because it also made the proposed political solutions contingent upon Serbian consent.

The Secession Theory Does Not Hold Up

The situation changes essentially with Resolution 981, because its point of departure is the existence of a

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sovereign and internationally recognized Republic of Croatia, whose right to control and regulate relations over its entire territory is recognized. The question of the Serbian rebellion breaks down into the question of external intervention, which loses any legal and political basis thanks to the resolution and is prohibited by international law, and the question of the status of the Serbian minority in Croatia, which is defined as an internal minority matter and which is to be resolved within the legal system of Croatia in agreement with the minority in question and in keeping with internationally acceptable standards. The Serbs are now objecting that this "prejudices" the political solution without their consent, but actually this is only recognition of the fact of the existence of the sovereign Croatian state on the basis of the Croatian people's right to self-determination and within the framework of its existing and historically confirmed borders. That should have been clearly stated even earlier, and then the process of restoring peace in Croatia would have been speeded up considerably. The rejection of UNPROFOR [UN Protection Forces], with its vague mandate and the reluctance to spell out that mandate in keeping with global political development, ultimately compelled international factors to take a clear position on the problem and on ways of restoring peace in Croatia, confirming what had already been decided and defining what must yet be resolved.

Resolution 981 therefore has even broader value in carrying out the succession of Yugoslavia. If the framework of the Vance Plan is explicitly abandoned, as now seems to be the case, and the sovereignty and territorial integrity of all the states that became independent through the disintegration of the former joint state is confirmed, and in Croatia the minority question is defined as Croatia's internal affair, then the Serbian theory about the secession of the other states, except for the Federal Republic of Yugoslavia (Serbia and Montenegro), which supposedly would retain the continuity of the former state, obviously does not hold up very well. The present resolution clearly confirms the opinion of the Badinter Commission on the disintegration of the former state and the equal rights of all the states which existed even earlier, in the form of the federal republics. That is why recognition of Croatia by Yugoslavia is no longer legally relevant, and it is politically relevant only insofar as it would contribute to normalization of mutual relations and to the awareness of the rebellious Serbs that solutions concerning their status must definitively be sought peacefully within the framework of the legal system of the Republic of Croatia.

The Z-4 Plan in a New Light

The political framework defined by Resolution 981 should now be filled with a specific content, with the resolution of the individual problems of reintegrating the occupied areas. There will certainly continue to be problems, and the biggest one will be whether the Serbian side really accepts cooperation and accepts under the new conditions the new forces (UNCRO) [UN Confidence Restoration Operation in Croatia] on the territory which it controls. It does not have much choice here, because the only alternative is war with the help of the FRY, in which it would attempt to turn the general situation to its advantage. That choice is not precluded, but it is not very likely. The Serbs will probably accept the UNCRO and try to frustrate execution of its mandate, but that will be quite difficult to do, because the mandate is much firmer than the mandate of the UNPROFOR, and cooperation with the UNCRO will be more important for the rebellious Serbs than up to now, especially in preserving the cease-fire and in the functioning of the existing and new economic agreements with Croatia.

For its part, Croatia will be able to offer new forms of cooperation in which the Serbs will have an interest, but which will no longer call into question the state sovereignty of Croatia. Now it is possible to undertake more intensive economic negotiations and to resolve the practical political, administrative, and social problems, but within the context of an integral solution calling for reintegration and establishment of the Croatian legal system over the entire area of Croatia.

The Z-4 Plan also appears in a new light now! It can now be a useful mechanism for beginning negotiations, although in the form offered it continues to be unacceptable. The plan should be purged of everything that falls outside the limits of minority autonomy. It is to be expected that it is the Serbs who will now seize upon the Z-4, because it grants them considerably larger concessions than Resolution 981. But still Croatia should not accept the Z-4 as the formal basis of negotiations, but more as a set of ideas for consideration in the negotiating process.

How To Restore Confidence

Croatia could offer a considerably broader and more open policy toward the occupied areas and require of the UNCRO cooperation even when the rebellious local authorities offer them resistance. That is, the resolution speaks about the local authorities, but nowhere does it mention any "central" authority in those regions.

The UNCRO should be required, then, to guarantee cooperation of the local authorities with the state authorities of the Republic of Croatia, not only through the "government" in Knin, as the UNPROFOR was accustomed to do, but also at other levels and in other localities. Depriving the authority of the "Krajina" of its monopoly to exclusively represent the population in those occupied areas is a political priority which follows from the resolution and which could result most rapidly and reliably in a renewal of confidence, peace, and reintegration.

Freedom of movement and unhindered contacts between the population in the occupied areas and the free areas of Croatia will have key importance to the

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restoration of confidence, which is the basic task of the UNCRO. Even the opening up of the limited-access highway has initiated that process, and further openings and economic agreements will only speed it up. Croatia must be concerned about the human and civil rights of its citizens even in the occupied areas, and also in the exercise of those rights on the free territory, if this is now impossible on the occupied territory, and this must be equal for the non-Serbian and Serbian population. The UNCRO's full commitment to that should be demanded.

Restoration of confidence is not possible under the conditions of the general terror of the Serbian occupation authorities. Controlling Croatian international borders with Serbia and Bosnia-Herzegovina, opening up the traffic of people and goods across the cease-fire and demilitarization lines, which is a fundamental mission of the UNCRO, can only help the Croatian policy of restoring confidence and full reintegration of the occupied areas. Political talks about regulating the status of the Serbian minority in Croatia can then proceed along a parallel line, and that also applies to preparations for the return of the displaced persons and refugees.

Everything will not, of course, go smoothly. There will still be a great deal of resistance, and continuation of the war in Bosnia also increases the uncertainty and risks. Nevertheless, at this point we can observe with satisfaction: The ice has begun to move, the myth of "Great Serbia" is breaking up.

Displaced Persons Assess UN Resolution 981

95BA0220F Zagreb VJESNIK in Serbo-Croatian 5 Apr 95 p 1

[Article by Goranka Juresko: "The Fight for a Rapid Return"]

[FBIS Translated Text] Zagreb—Security Council Resolution 981 cannot fully satisfy displaced persons because at present their demands and expectations have not been met; these include demands for the actual control of internationally recognized borders, the time and manner of their return, and the disarming of the paramilitary formations in the occupied areas.

This is one of the conclusions of the meeting of the Board of Directors of the Croatian Community of Displaced Persons, President Mato Simic said on Tuesday during a press conference, adding that the displaced persons are demanding that the time until Butrus Butrus-Ghali issues the report containing operational measures (scheduled for 21 April) should be used to put pressure on the international public, the Security Council, and the UN secretary general. Only in this way will the demands of the displaced persons be honored, and will additional pressure be exerted by the third conference of the Croatian Community of Displaced Persons, which is scheduled for Saturday.

The displaced persons also prepared a bill on displaced persons, and by 5 April all the demands of the Community of Displaced Persons are to be presented to the competent officials and bodies of the Government of the Republic of Croatia so that they might inform the participants in the third conference concerning the views of the government and the state with respect to those demands.

The conclusions emphasize the view of the displaced persons who are living in organized accommodations concerning the announced moves to abandoned houses and apartments whose owners are from Serbia and Montenegro. They emphasize that there is no legal piece of legislation under which such a move could be made.

Asked by newsmen whether they are satisfied with the promise made the previous day by Foreign Minister Mate Granic, concerning the operational measures and preparations for them, Mato Simic said that they do not evaluate Resolution 981 from the political viewpoint, but only as to whether or not it satisfies the demands of the displaced persons. We are fighting for the most rapid possible return and for the best possible life in exile, the displaced persons emphasized.

In addition to Dr. Franjo Tudjman, the president of the Republic of Croatia, they also invited Dr. Mate Granic, Prime Minister Nikica Valentic, Deputy Prime Minister Borislav Skegro, ministers Ivan Jarnjak, Gojko Susak, and Jure Radic, the presidents of both houses of the parliament, Cardinal Franjo Kuharic, and a number of other Croatian officials to their third conference.

RSK To Reexamine Economic Accord With Zagreb

LD2604222095 Zagreb HTV Television in Serbo-Croatian 2120 GMT 26 Apr 95

[From the "Slikom Na Sliku" program]

[FBIS Translated Text] Police checkpoints of the republic of Serb Krajina [RSK] will be set up on the approaches to western Slavonia near Dragalic and Paklenica.

At its next session, the assembly of the westernmost Serb land will reexamine the economic agreement with Croatia, seeking a way to get the Croatian side to respect the sovereignty of the RSK. The sovereignty of the RSK has been brought into question with the opening of the highway. All private visits to relatives in Croatia will be stopped. This issue will be resolved in a way which will not threaten the security of western Slavonia. The smuggling of oil and other goods will be eliminated and commissions established by the government will be responsible for trade with Croatia. These are the conclusions of today's meeting between the highest political and military officials of the RSK and the authorities of the Okucani municipality, the regional council of Gradiska, and representatives of municipalities under temporary Croatian occupation.

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Following his two-day tour of western Slavonia, President Martic said:

[Begin Martic recording] I would recommend to the people that they have to persevere through all this and not succumb to any Croatian disinformation regarding the reintegration of this territory into Croatia. We are conducting the right policy for our people, a policy of creating a unified Serb state on the territory of former Yugoslavia. We will persist in trying to achieve this goal if we have the people's support. I have a clear picture of the situation and I have seen that we have this support. [end recording]

Foreign Trade Shows First-Quarter Increase

AU2704112995 Zagreb VJESNIK in Serbo-Croatian 26 Apr 95 p 13

[Article by HINA: "Foreign Trade—Doubled"]

[FBIS Translated Text] Zagreb—Croatia's foreign trade in the first three months of the year amounted to more than $2.9 billion, which is almost 114 percent more than in the same period (an extremely unsatisfactory period) last year. Exports amounted to $1.16 billion and were 85.9 percent higher than last year, while imports increased by as much as 138 percent in comparison to the first three months in 1994 and amounted to $1.7 billion, the State Statistics Institute has announced.

Croatia's biggest foreign trade partners in the first three months of this year were European countries with which trade transactions amounted to $2.5 billion. Out of this, exports amounted to just over $1 billion, that is, 78.5 percent more than in the first three months last year, while imports increased by 169.8 percent and amounted to $1.49 billion.

Croatia continues to export mostly to the German (285 million German marks [DM]), Italian (DM251 million), and Slovene (DM144 million) markets. These three countries also head the import list—Germany with DM351 million, Italy with DM313 million, and Slovenia with DM189 million.

RSK Health Minister on Need for Psychiatrists

95BA0220A Zagreb VJESNIK in Serbo-Croatian 6 Apr 95 p 11

[Article by V.F.P., VJESNIK staff correspondent, Belgrade: "'Krajina' Urgently Needs Psychiatrists"]

[FBIS Translated Text] "Krajina urgently needs psychiatrists," declared a certain Dr. Djuric, "Krajina minister" of health, in Nis, according to NASA BORBA on Wednesday. The reason this doctor gave for the problem that has arisen suddenly is that all mental patients of Serbian nationality have been driven out of hospitals in Croatia. They then came to hospitals in "Krajina," which already have a great many people with mental disturbances and traumas that occurred in the war environment and because of the frequent mobilizations and attacks of the Croatian Army. Dr. Djuric also said that the position of the health service in "Krajina" is very difficult, because "in a country in which there is no economy, there are no tax contributions, and that means no funds for the health service." In just the last three months, there have been more than 1,000 people seriously wounded, and medical personnel have been reduced to the minimum, the Krajina official said on a visit to a colleague in Nis, where he went to ask for help with personnel.

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'Announced General Strike' Expected To Spread

AU2704055295

[FBIS Editorial Report] Skopje MIC in English on 26 April carries various reactions to the announced general strike of the Union of Independent and Autonomous Trade Unions of Macedonia. It is reported that the strike will begin with a meeting on Makedonija Square in Skopje and is later expected to spread to other towns, Stojan Nikolov and Atanas Lefterov, the trade union's president and secretary of the coordinating committee, announced at yesterday's news conference.

They both condemned "the attacks that are coming from the regime media's and certain opposition parties like the Liberal party, and the other attempts to obstruct the strike." As they said, "the strike will not be held if, eventually, the government decides to accept the 16 requests" put forward in their declaration. If it does not, however, the trade unions will call for "the resignation of the government and the formation of an interim government that, within three months, will have to prepare and carry out new elections in the country."

"During the press conference, it was announced that the VMRO-DPMNE [The Internal Macedonian Revolutionary Organization—Democratic Party of Macedonian National Unity], the Democratic Party, the Republican Party, and MAAK [Movement for All-Macedonian Action] are giving the strike their moral support."

MIC also carries a reports that states that the presidency of the Alliance of Trade Unions of Macedonia addressed its membership, the organizations of the trade unions, and the general public in a press release in which it "points out that it does not stand behind this strike and calls on its membership not to participate in this manifestation, which is of a political character and is aimed at misusing their interests."

"The press release also informs that due to the entirety of the social and material situation of the workers, the Alliance of Trade Unions of Macedonia has initiated organizing a general strike in Macedonia and that negotiations are in progress with the government of the Republic of Macedonia about concrete requests, and that the membership will be informed about these negotiations."

'Albanian University' Founders Go on Trial

AU2604160395 Paris AFP in English 1532 GMT 26 Apr 95

[FBIS Transcribed Text] Tetovo, Macedonia, April 26 (AFP)—The founders of an Albanian university that has been banned by Macedonian authorities as unconstitutional went on trial for incitement here Wednesday.

A 10,000-strong crowd of supporters gathered in this northwestern town as university rector Fadilj Sulejmani and his colleague Miljaim Fejziu entered the courthouse. The pair were arrested February 17 after the university inauguration ceremony sparked a bloody confrontation between ethnic Albanians and police.

Macedonian authorities had banned the university at Poroj, on the outskirts of Tetovo, warning teachers and students they were breaking the law and taking part in anti-constitutional activities.

The demonstration in Tetovo's central square Wednesday in the presence of Macedonian Albanian political leaders lasted about an hour and was peaceful, though some 1,000 people also protested in front of the court, forcing it to suspend hearings for an hour.

Sulejmani is accused of "inciting people to resist" the security forces and of being behind the violence of February 17 in which, according to the charge sheet, one person died and about 60 people were injured, many of them police.

The university inauguration was part of a campaign for greater autonomy by ethnic Albanians, who make up nearly 22 percent of Macedonia's two million people according to a 1994 census.

National Bank Governor on Monetary Situation

AU2604085095 Skopje VECER in Macedonian 22-24 Apr 95 pp 6-7

[Interview with FYROM National Bank Governor Borko Stanoevski by Vesna M. Bozinovska; place and date not given: "I Trust Our Banks"]

[FBIS Translated Excerpt] [Passage omitted]

Two Mistakes in the Exchange Rate

[Bozinovska] How do you assess 1995 in terms of prospects for implementing measures projected by the National Bank?

[Stanoevski] The 1995 macroeconomic policy is the logical continuation of the previous policy but even more ambitious: It hopes to reduce last year's 55-percent annual inflation to 18 percent, or 1.7 percent per month. It implies greater control of the money supply, bringing the amount of money in circulation into line with real economic trends and reducing the need to print more money. This means that this year we shall have less maneuvrability in monetary policy, and overall macroeconomic policy will be implemented, with effects felt by all. This is the reason for our new approach relating macroeconomic policy to monetary policy. The biggest problems last year were too much hard currency on the market and inflation greater than projected. To solve this we "wedded" monetary and budget policy, and the expected currency surplus, which is projected at $60 million, will effectively have to be bought with budgetary means, with money from real sources and not by printing money.

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[Bozinovska] You are carrying out a restrictive monetary policy. How much have you contributed to the difficult situation with exports?

[Stanoevski] My view is that in the past months of this year everybody has realized that we cannot change this. There are two mistakes that inflate the problem: First, the exchange rate reflects retail price inflation, which is inappropriate, because it should be adjusted to take account of inflation in industrial products, which lags far behind retail price inflation.

Second, the whole difference between the denar exchange rate and the effect of inflation is neglected, which affects 60 percent of exports. I still think they are paying a very high price and that the situation must be improved.

"Pressing" Without Pressure

[Bozinovska] How long will bank capital investment be limited?

[Stanoevski] Until inflation and the denar are stabilized and there is better order in the banking system.

[Bozinovska] Is there any political pressure to print money?

[Stanoevski] No, absolutely not.

[Bozinovska] Can we expect the German mark to rise?

[Stanoevski] There will not be any conditions for this in 1995, and therefore the rate will remain as it is, as there will be greater supply than demand for hard currency.

[Bozinovska] Why is this?

[Stanoevski] Unfortunately, it comes from uncontrolled sources that we are unable to determine. It is probably a consequence of the overall situation in the Balkans. The moment supply and demand are balanced, we shall have to adjust the denar exchange rate to inflation. For instance, it is not natural that the denar fell by 1.6 percent against the German mark in 1994 while inflation is 55 percent here and only 4-5 percent in Germany. This is impossible. This means that there must be a correction in the denar exchange rate, but it is difficult to forecast when this will happen.

[Bozinovska] There are rumors that the denar will be redenominated.

[Stanoevski] There is still the idea of knocking off another zero in the new series of banknotes to be issued next year. However, this has not been definitely decided.

[Bozinovska] Can we expect the denar to become convertible soon?

[Stanoevski] It is a question of the near future, and we often consider this. For now there are no conditions for this. For two years we have had full internal denar convertibility, but foreign convertibility is a different matter. It implies, among other things, absolutely stable conditions in the state, annual inflation of about 5 percent, and currency reserves to cover all demand for three months, which is about $400 million for the National Bank of Macedonia [The Former Yugoslav Republic of Macedonia—FYROM] [NBM] alone.

[Bozinovska] What are the present currency reserves?

[Stanoevski] We have about $165 million in the NBM and the total state reserves are $265 million.

[Bozinovska] When can we expect convertibility?

[Stanoevski] I hope in three to four years we shall achieve our aims. The question of foreign convertibility will become topical then.

[Bozinovska] What is your view of today's banking system here?

[Stanoevski] It is quite complicated. We have 12 smaller but fully privatized banks and four larger ones that carry the burdens of the previous society. This is why we have started a process to revitalize them.

[Bozinovska] Could you have prevented the Bank of Foreign Trade going bankrupt?

[Stanoevski] There was little chance of rescuing this bank. The experts' report was very clear: 98 percent of the bank's capital was destroyed and you can never rescue such a bank.

[Bozinovska] How far have you come with protecting the savings in the banks? The deadline is 28 May.

[Stanoevski] It still is at a standstill and, although the deadline approaches, we have not yet found an acceptable solution.

[Bozinovska] Does this mean that the deadline may be extended?

[Stanoevski] It should be, but I am not sure.

[Bozinovska] What about the banks' interest rate policy?

[Stanoevski] It is a fact that the banks have an inappropriate interest rate policy. They are setting a very high nominal rate, which rises to 100 percent per year. We at the NBM have analyzed the period from last January until 28 February this year and have concluded that the rate was an average 8 percent monthly, or 152 percent annually. This is really too high and I do not think that there is a single enterprise or business in Macedonia that makes profits high enough to be able to pay 152 percent interest.

[Bozinovska] Does this mean that the NBM will intervene with an administrative measure?

[Stanoevski] No, we do not have the legal authority to intervene with administrative measures. The banks, the government, the Chamber of Commerce, and ourselves have to agree and then look for possible solutions. [passage omitted]

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Kinkel Meets Ethnic Albanian Leaders

95P20741A Skopje FLAKA E VELLAZERIMIT in Albanian 13 Apr 95 p 3

[Article by T. Mehmeti: "Support for Reasonable Demands—Meeting of German Foreign Minister Klaus Kinkel With Representatives of the Albanian Political Parties"]

[FBIS Translated Text] On Il April, during his visit to Macedonia [The Former Yugoslav Republic of Macedonia—FYROM], Dr. Klaus Kinkel, foreign minister and vice chancellor of the FRG, met with the opposition political parties, both those represented in parliament and those not. Participating in this joint meeting were the representatives of the Party for Democratic Prosperity—party secretary Naser Zyberi, and Ismet Ramadani, the coordinator of this party's parliamentary group—and the representatives of the People's Democratic Party—party chairman Iljaz Halimi and the deputy chairman, Mersel Bilali—and also independent deputy Arben Xhaferi.

The Albanian representatives said the following in regard to this brief meeting, which they characterized as successful simply because of the fact that the German minister showed special interest in the Albanian political parties in Macedonia:

Naser Zyberi: "The length of the meeting was not important. The main thing was what we said to him and what he said to us. The main thing is that Kinkel and, through him, the German state, is placing importance on the Albanian factor in Macedonia—that is, on our problems. The fact that we had a meeting with Minister Kinkel tells the Macedonian state and the Macedonian authorities that Germany is concerned, that it knows the problems of Albanians in Macedonia and that is devoting special attention to them. We took advantage of the opportunity to inform the German minister about the problems Macedonia is facing, especially in the area of interethnic relations. While informing him about problems in the domains of education, culture, science, the media, etc., we reaffirmed our position and our determination to resolve problems through dialogue and tolerance and within the system. Minister Kinkel expressed his support for our determination and said that the legitimate, realistic, and just demands of the Albanians have had, still have, and will continue to have the support of the German state and government, but it must always be kept in mind that any political goal, trend or operation that might endanger the stability, existence, independence and territorial integrity of Macedonia has no support and will have no support."

Zyberi also said that the matter of the University of Tetovo was discussed during the joint meeting and that all the Albanian participants had an identical approach to the subject, while the German minister expressed his sadness in connection with the developments related to this institution of higher education.

Iljaz Halimi expressed satisfaction with the discussions with German Minister Klaus Kinkel. Among other things, he said: "We noted that the Constitution is one of the factors responsible for the failure to achieve national equality in Macedonia. As we know, the Constitution was passed, over the vote of the Albanian deputies. We emphasized that we want to achieve our rights and interests, both individual and collective, within the framework of educational and scientific institutions, in the media, etc. We pointed out that, unfortunately, this government kills, emprisons, maltreats and searches Albanian families only because they are trying to learn in their mother tongue. We asked the minister to become involved in accelerating several processes—in particular, the higher education process."

Independent deputy Arben Xhaferi also participated in this joint meeting. In connection with the meeting with the German minister, he said: "As for me, I tried to explain that Macedonia has two types of problems: formal problems with Greece and basic problems, such as the rights of the Albanians, which is a domestic problem. Also, I attempted to explain to him that the problems began with the breakup of the former Yugoslavia, and that an overall solution must be found for the former Yugoslavia and for the Albanian issue, since if the Albanian issue is not taken into consideration, it will generate a crisis in the future. I called for independent institutions appropriate for the development of the specific characteristics of the Albanians, and I told him that we should not be afraid of duplication because we have parallel histories, politics, and cultures here, and we also have parallel political parties within the framework of a single system. For his part, Mr. Kinkel said that he supports the Albanians' request that they be allowed to cultivate their specific characteristics."

Ambassador Gert Ahrens took part in these discussions.

Ethnic Issues in Public Broadcasting Forum

95P2O732A Skopje FLAKA E VELLAZERIMIT in Albanian 27 Mar 95 p 2

[Article by N. Zejnullahu: "Standards for Broadcasters"]

[FBIS Translated Excerpt] On 25 and 26 March, Macedonian radio-television (RTVM) and the Ministry of Transportation and Communications of the Republic of Macedonia [The Former Yugoslav Republic of Macedonia—FYROM] organized a roundtable in Skopje on the subject "The Future of Public Radio." Well-known representatives of the European Broadcasting Union, the Council of Europe and radio-television workers from a number of Balkan states (Albania, Bulgaria, Turkey, etc.) and the Republic of Slovenia participated in the roundtable. The speaker of the parliament of the Republic of Macedonia, Stojan Andov, and the minister of transportation and communications, Dimitar Buzlevski, took part in the opening session.

Dimitar Buzlevski said: "Our activities at the present time are concentrated on providing the legal framework

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for radio broadcasting activity. The 1974 law, which is still in effect, does not ensure conditions for the normal development of radio broadcasting, especially since the Constitution calls for significant changes in this sector. Currently, there are 250 entities in the Republic that are involved in transmitting radio and television programs, which to a certain exent creates chaos on the airways. Our aim is not to stop their work but to create the desired order. Of course, for some of them—those that cannot obtain the necessary funds, those that limit themselves to scheduled activities (monthly and annual), or those that cannot guarantee that more that 30 percent of their schedule will be observed—the new law might be restrictive, but most importantly, the law that is awaiting parliament's approval will be subject to constitutional provisions: the guarantee of the freedom of radio broadcasting, the ensuring of competition, and the respecting of international recommendations on the media."

In her report, RTVM director general Melpomeni Korneti, said: "Public radio organizations are not the only thing these days. The number of commercial companies that have channels is growing, and technological development will accelerate this process. The coexistence between public broadcasting and commmercial companies must be stimulative. Modern democratic societies cannot be limited to the concept of broadcasting in which the key factors are the laws of the market and profits from advertising, while the educational and cultural contents are only symbolic. Only public broadcasting can offer a program schedule for all individuals and groups; and, on this basis, only public broadcasting can serve as a factor for social integration and a forum for democratic debates, and ensure that the contents of all programs meet professional standards. [passage omitted] In a multiethnic society, the role of public broadcasting is irreplaceable—above all, in ensuring ethnic pluralism and conditions for strengthening confidence, understanding, and tolerance." [passage omitted]

Deputy Mevlan Tahiri said that the Republic of Macedonia should take its multiethnic composition into consideration. He said he is expecting the ethnic Albanian population to provide more and quality to the media. He noted that, recently, censorship had come into Macedonian Television, when the chief editor appointed a coordinator for the Albanian editorial staff. These words of Mr. Tahiri were disputed by RTVM Director Korneti, who said there was no mention of censorship at a recent meeting with the representative of the Party for Democratic Prosperity. She said: "It is essential to have a coordinator for the six programs for the different nationalities. The purpose is not to carry out censorship, and I do not find anything wrong with this." The director of Macedonian television, Sasho Ordanovski, said that the person who has been the coordinator so far (and who will also be the coordinator in the future) has not made any changes in topics, ideas, participants, etc. He said that the Albanians should certainly have a program in their own language, and by the end of this year they will have three hours, as they requested.

After he heard this, Mr. Tahiri said that it seems he was not understood correctly. He said: "I said that the Albanian editorial staff regarded the appointment of a coordinator as censorship."[passage omitted]

[Box, p 2]

Why Did the Representative from Albania Leave the Conference?

The only participant from Albania was Enver Lekaj—the head of Albanian radio-television's department for cooperation with foreign countries. After dinner, although he was expected to participate in the discussion, he left the building in which the meeting was held, without informing the organizer of the roundtable.

Ethnic Albanians' Views on Skopje Daily

95P20738A Skopje FLAKA E VELLAZERIMIT in Albanian 1 Apr 95 pp 10-11

[Article by I. Mehmeti: "The Readers Are Satisfied with FLAKA's Content"]

[FBIS Translated Excerpt] The DATA PRESS public opinion polling agency carried out a poll on the subject "the opinion of citizens of Albanian nationality in the Republic of Macedonia [The Former Yugoslav Republic of Macedonia—FYROM] on the newspaper FLAKA E VELLAZERIMIT." Some 600 citizens from different categories and different cities in Macedonia were included in this anonymous telephone poll; 54.33 percent of the persons polled were male and 45.67 percent, female. Some 43.67 percent were between 18 and 29 years of age; 34.33 percent, between 30 and 49 years of age; and 21.67 percent, over 50 years of age. Some 44.67 percent had attended intermediate school; 31.33 percent, elementary school; and 23.67 percent, secondary school and institutions of higher education. The greatest number of the persons polled—34 percent—were unemployed; 23.67 percent were employed in various types of work; 15.67 percent were employed in the state sector; 15.67 percent were pupils or students; and 11.67 percent were retired. Some 51 percent resided in Skopje; 19.67 percent, in Tetovo; 14.33 percent in Kumanovo; 4.67 percent in Ohrid; 4 percent in Gostivar; 3.33 percent in Struga and 3 percent in Debar.

In response to the first question—"Do you read FLAKA regularly?"—37 percent said "yes"; 26.67 percent said "occasionally"; and 1.67 percent said "very rarely," while one-third of the persons polled—34.67 percent—responded that they never read FLAKA. Some 45.50 percent of the readers of FLAKA are male. Only 27 percent of the females polled said that they read this newspaper. The most regular readers are those in the age group of 30-49—46.60 percent of the readers—while the fewest readers are in the over-50 group. The most avid readers of FLAKA are ethnic Albanians with a secondary school or higher education—60.56 percent of the pollees

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in this category—while 61.70 percent of the persons who do not read FLAKA at all have an elementary school education.

The poll shows that a person's material situation is one of the factors determining the percentage of readers. For example, 56 percent of the persons with jobs read FLAKA, while 50 percent of the unemployed said they do not read FLAKA. As for geographic factors, the DATA PRESS poll found that one-half of the Albanians polled in Ohrid and 44 percent of those polled in Debar said that they were regular readers of FLAKA. The figures were 42 percent for Tetovo residents and 40 percent for Struga residents. Albanians who live in the capital of Macedonia, Skopje, occupied fifth place in the readership of the only Albanian-language daily. According to the poll, 38 percent of the residents of Skopje polled read FLAKA regularly. [passage omitted]

When asked if they were satisfied with the content of the newspaper, the pollees responded as follows: 46.67 percent, fully satisfied; 2.67 percent, not satisfied; 14.67 percent, partially satisfied; 35 percent said they do not read the newspaper and 1 percent did not express any opinion. Persons in the 18-29 age group (56 percent of this group) were the most satisfied, while those over 50 were the least satisfied. [passage omitted]

Some 42.33 percent of the pollees said that FLAKA responded to the needs and interests of ethnic-Albanian readers. [passage omitted] Some 54.96 of the members of the 18-29 age group gave a positive response while those over 50 were the least satisfied. [passage omitted]

The responses dealing with FLAKA's editorial policy correspond to the above. The question "In your opinion, does FLAKA have an independent editorial policy?" received the following responses: "to a great extent yes," 35.67 percent; "partially," 15.67 percent; "for the most part, no," 3.67 percent; "not at all," 2.33 percent; "I never read the newspaper," 34.67 percent; and "no opinion," 1.33 percent. Some 48 percent of the pollees with secondary school and higher education think that, to a great extent, FLAKA is carrying on an independent editorial policy. This opinion is shared by 38 percent of the pollees with intermediate education and only 23 percent of the pollees with less schooling. The responses to this question depend on the city in which the pollee resides. For example, more than half the respondents from Ohrid and Debar think FLAKA has an independent or partially independent policy, while many fewer residents of Gostivar and Kumanovo share this opinion.

In response to the DATA PRESS poll's question about the most interesting reports in FLAKA, the largest number of pollees—25 percent—cited the political reports; 14 percent, the features for young people; and 10 percent, the cultural reports. To this question, too, 34.67 percent responded that they do not read the paper, and 1.33 percent had no opinion. The political reports are of the most interest to respondents with secondary and higher education and the features on the young people are of the most interest to pupils and students. The political reports are of less interest to people between 18 and 29 years of age and of more interest to those between 30 and 49. The interest in the different reports is the same for the various cities.

In response to the question as to whether FLAKA can be trusted, the poll produced the following results: 51 percent of the pollees gave a positive response; only 3 percent said that they did not have confidence in FLAKA; 10 percent said they have partial confidence in the newspaper; 34 percent said they do not read the newspaper; and 2 percent had no opinion. The most confidence was expressed by the 18-29 age group (57 percent of those polled) and those with secondary and higher education (67 percent of those polled). It is interesting to note that confidence in FLAKA is proportional to its readership. For example, in cities where FLAKA is read the most, confidence is the highest—67 percent of Debar residents and 57 percent of Ohrid residents expressed complete confidence in the only Albanian-language daily newspaper. The same sentiments were expressed by 52 percent of Skopje residents, 50 percent of Struga residents, 49 percent of Kumanovo residents, 46 percent of Tetovo residents, but only 42 percent of the Albanians in Gostivar.

The readers did not express any special requests in response to the question as to what they would like to change in the newspaper. For example, 23.67 percent of the pollees said they were completely satisfied with the content of FLAKA. [passage omitted] When asked what factor made them decide to buy FLAKA, 42 percent said that it was the newspaper's content, while 6.33 percent said it was the names of the authors of the articles.

One of the questions in the DATA PRESS poll dealt with the distribution of FLAKA by means of kiosks. Some 52.33 percent of the pollees said that the paper was distributed on a timely basis. [passage omitted]

The final question in the poll was a general one: "Are you satisfied with FLAKA as a daily newspaper?" Some 58 percent of the pollees said "yes"; 1.33 percent said that they were not satisfied; and 34.67 percent said that they do not read the only Albanian-language daily in Macedonia. The pollees who are most satisfied are those with secondary school and higher education (80 percent of the the persons polled in this category). [passage omitted] By cities, Debar readers are the most satisfied (67 percent of the pollees), followed by Ohrid (64 percent), Kumanovo (61 percent), Struga (60 percent), Skopje (59 percent), Tetovo (54 percent) and Gostivar (42 percent).

On the basis of the DATA PRESS public opinion poll, it can be projected that the ideal reader of FLAKA is an intellectual between 30 and 49 years of age with secondary school or higher education and with a job.

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Peterle Not Elected Foreign Affairs Commissioner

AU2504210595 Ljubljana Radio Slovenia Network in Slovene 2000 GMT 25 Apr 95

[FBIS Translated Excerpt] The State Chamber today failed to elect Lojze Peterle, president of the Christian Democrats, as president of the Commission for International Relations. Twenty-seven deputies voted in favor of Peterle, while 32 were against. The breakdown of votes showed that Peterle enjoyed the support of his party and half of the Liberal Democracy deputies.

Among the opposition, only Deputies Hvalica and Poljsak voted for him. [passage omitted]

After the State Chamber failed to elect Peterle as president of the Commission for International Relations, the party's executive committee met this afternoon. This was actually an exchange of opinions, as the meeting lacked a quorum. Hilda Tovsak, secretary general of the Christian Democrats, in a statement for our radio station expressed surprise over today's session. She emphasized that the Christian Democrats have always championed a center-oriented policy and that some in the Liberal Democracy do not accept such an orientation. She also added that the Christian Democrats cannot understand the behavior of individual deputies from the coalition parties as they voted in opposition to [word indistinct] and position of Prime Minister Drnovsek.

According to Tovsak, the Christian Democrats have no intention of making the situation even tenser and will, thus, make any decisions after the holidays.

Peterle Criticizes LDS

AU2604154095 Ljubljana Radio Slovenia Network in Slovene 1330 GMT 26 Apr 95

[Article by Sandi Frelih on news conferences by the Slovene Christian Democratic Party and the Liberal Democracy of Slovenia in Ljubljana on 26 Apr—recorded]

[FBIS Translated Text] [Frelih] Yesterday's events in the parliament gave rise to concern for the future functioning of the coalition, Lojze Peterle said. He is worried by the unpredictable behavior of his coalition partner. The Liberal Democracy of Slovenia [LDS] is blatantly dishonoring agreements and deviating from its declared centrist orientation, which according to Peterle, is leading to harmful bipolarity. He is especially concerned by the manner of work within the coalition:

[Peterle] This attempt at our exorcism from the government, as we could call it, concerns us, as does the manner of work within the coalition. The reply to this will be known after the holidays, after we have reviewed the matter thoroughly. Of course, I would not make any optimistic conclusions in the present situation. What we can read today, namely, that the LDS president went to great pains to convince his deputies, does not help. We are not interested in the internal balance of powers within the LDS, we are interested in a coalition partner who will be reliable in the implementation of our agreements.

[Frelih] Peterle also said he will not run again for the president of the State Chamber commission for international affairs.

LDS Secretary General Gregor Golobic, too, was trying to calm the situation at a news conference. He confirmed that the agreement on Peterle's nomination had been reached at a meeting of the party caucus with the deputies. He explained the behavior of the deputies with the fact that the Christian Democratic Party [SKD] also, did not always support the proposals of the LDS.

Golobic also stated that the opposition took advantage of the situation to make a move that was supposed to harm the increasingly better relations with the Christian Democrats:

[Golobic] I believe that, at the moment, nobody has a scenario for the future, including the SKD, which is thinking about a way out and future steps within the party. They can count on cooperativeness and constructiveness from our side in the search for a solution that would suit both sides. Anyway, in light of the nature of affairs, the proposal as to what to do next will at this point have to come from their side.

Social Democrats Explain

AU2604160795 Ljubljana Radio Slovenia Network in Slovene 1330 GMT 26 Apr 95

[FBIS Translated Text] At a morning news conference, Janez Jansa, president of the Social Democratic Party of Slovenia, commented on yesterday's vote in the parliament as follows:

[Begin recording] Our deputies in the Commission for Elections, Appointments, and Administrative Matters supported the candidacy of Mr. Peterle. I believe ours was the crucial vote. However, on the occasion of the vote, our deputy, I believe it was Dr. Pucnik, was told off by one of the deputies of the Christian Democratic Party (SKD), who asked him why we were meddling in the coalition relations. So, we thought why should we support somebody who does not want our support?

Throughout this time, and a lot of time has passed between the decision of the commission and yesterday's vote in parliament, the SKD has never expressed any desire or voiced a request or an initiative to reach a sort of agreement regarding this. Therefore, we were of the opinion that it was not in their interest [words indistinct].

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It is clear that the coalition does not function. It is really symptomatic and, in a way, ridiculous that all this happened after Mr. Drnovsek had explained at a news conference that there were absolutely no problems in his party and in the coalition, that there were the usual different opinions, but that everything worked as normal. Well, yesterday, this party's vote split 50:50 on an important issue. We are not a part of this game, this is a game of the coalition where everything is falling apart and all that holds it together is the naked interest of individual departments.

What is crucial at the moment is what the SKD will do now. If you ask me, well, I believe that there is a 95 percent chance that they will not do a thing. [end recording]

Newly Appointed SOVA Deputy Chief Reassigned

AU2604160495 Ljubljana Radio Slovenia Network in Slovene 1330 GMT 26 Apr 95

[Article by Suzana Kos on news conference held after a regular government session in Ljubljana on 26 April—recorded]

[FBIS Translated Excerpt] [Passage omitted] The following was said regarding last week's appointment and today's dismissal of Silvo Komar from the post of the government adviser [post as heard]. Namely, today, after he had spent a week in that post, the government relieved Silvo Komar of the above duty and appointed him as an adviser to the chief of the Slovene Intelligence-Security Agency. As it was written in the explanation of this decision, a proposal for an appointment can come as the result of a mistake.

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Federal

Belgrade Government To Stop Gray Economy

95BA0201B Belgrade BORBA in Serbo-Croatian 6 Mar 95 p 14

[Article by M. Janjic: "A Stop to the Gray Economy"]

[FBIS Translated Text] "The government is aware of the problem of the gray economy, a phenomenon as old as the state and the first tax that was introduced," Minister of Trade and Tourism Srdja Nikolic said recently at the Serbian Chamber of Commerce.

The gray economy assumed drastic dimensions in 1993 with the deterioration in the overall economic situation, as well as the decline in everyone's standard of living. Rough estimates indicate that the gray economy constitutes from 30 to even 60 percent of the total gross turnover.

The gray economy, to different degrees and in specific forms, is also present in the countries of the so-called developed world. There, however, there is greater financial and tax discipline and an already established procedure with respect to audits and penalties. The chambers of commerce and the authorities also have greater powers in the event of a failure to observe the norms of conduct and good business customs.

There are "boulevards and flea markets" elsewhere in the world as well, but a bigger problem for the state is the "better and more elegant trade in gloves," as Minister Nikolic said.

Numerous Causes and "Businessmen"

Now that problem has come onto the agenda as well, and so the state will use all available regulations, audits, and appropriate economic, social, and also repressive measures to attempt to block the gray economy, or at least bring it back within tolerable limits.

One of the causes of the phenomenon of the gray economy lies in the reduction of domestic production and the blockade of legal imports (especially consumer goods, certain equipment, spare parts, and semifinished products) and disruptions in supply and demand relationships, which have allowed various "businessmen" to build channels for the illegal supply of goods in demand.

On the other hand, domestic producers are creating artificial shortages, forcing an increase in prices, and marketing the withheld goods through illegal middlemen channels through the street, the marketplace, and the flea markets, sharing with them the earnings acquired by evading the payment of taxes and contributions.

Next, there are also the liberal conditions for founding and registering enterprises (the low amount of the founding capital, the lack of oversight, etc.); the state and local self-government authorities are facing general disaster, forced to tolerate at least to some extent certain forms of the gray economy. All of this has also entailed other forms of illegal conduct, among other things in the financial sphere (illicit cash payment transactions, various forms of barter), but also black market labor.

All Conditions Stricter

Because of this, all ministries in Serbia have been required to provide additions to legal documents, but also to propose measures within their jurisdictions.

The Ministry of Trade and Tourism, according the proposed measures, will monitor the market supply of basic products, in order to avoid disruptions in the market, and interventions from the commodity reserves are also possible. All of the inspectorate bodies (the market inspectorate, the labor inspectorate, the financial police, and the Ministry of Internal Affairs) will intensify their oversight.

By mid-March, the Ministry of Trade and Tourism is required to prepare a derivative legal act that will legalize sales in certain places, with the collection of all the duties. In any case, stricter conditions for the turnover of goods and services in the Serbian market will be governed by a new law on commerce. Also, by mid-March the Ministry of Finance is required to prepare amendments to the tax laws expanding the number of taxpayers and intensifying oversight, and changes to the Law on Labor Relations are also expected, especially with respect to black market employment.

Excises and sales taxes for oil and oil derivatives will be collected in the future right at the border crossings, and the Ministry of Energy and Mining is required to prepare a corresponding derivative legal act by 15 March.

A Stop at the Border

All of the federal regulations related to imports, exports, and excise taxes will be particularly reexamined, in order to keep goods that have not cleared customs from being brought into the country. In the past that has been the safety valve through which "businessmen," motivated by easy earnings and rapid enrichment, succeeded in securing goods that were in short supply in our market.

While we are waiting for the government's new measures, everything, from cigarettes to clothing, chemical products, or minor equipment can still be bought on the street or in the market; and as soon as everything disappears from the counters, you know that the inspectorate and the police have arrived. Everything will be confiscated from the petty dealers if they are caught, and the big ones are not there anyway—if they were, they would not even notice the damages, since they have secured their wealth in time.

Serbia

Seselj's Popularity, 'Dangerous Intentions' Viewed

AU2604210095 Belgrade NASA BORBA in Serbo-Croatian 24 Apr 95 p 11

[Article by Miroslav Mikuljanac: "Dangerous Intentions in the Positive Sense of the Word"]

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[FBIS Translated Text] The nightmare experienced by the "leftist" options in Serbia seems to have begun to come true: Seselj's Radicals are visiting big cities and are gathering unexpectedly large numbers of listeners. At a time when their closeness to the Socialists "earned" them seven-figure numbers at the elections, there was almost no place in Serbia, Belgrade included, where they could have more than 5,000 people take to the streets. And now, as if an inverted proportion is at stake, the Radicals' electoral results have been halved, but their "street" support has drastically increased.

There were 20,000 people in Kragujevac, 15,000 in Sabac, 10,000 in Loznica, and several thousand gathered in each of the Belgrade suburbs.... The effect this may have on new elections remains to be seen, but one will have to accept the fact that the Radicals have earned a considerable profit from Seselj's four-month imprisonment. Seselj himself says that the only thing he needs now is a similar prison sentence to be able to triumph completely at the next elections. His wish was recently fulfilled to some extent—we hope by mistake—by the Montenegrin Socialists when they arrested Acim Visnjic, head of the SRS [Serbian Radical Party] local branch.

Apart from prison sentences, the Radicals owe their renewed popularity to something else as well; the undoubtedly hard stand concerning the Srpska republic and the republic of Serb Krajina. Thus, following the electoral debacle experienced by [Mirko] Jovic, [Milan] Paroski, and [Zeljko Raznatovic] Arkan, they have made a big clearance on the right, albeit without thereby fulfilling all their ambitions. By harshly criticizing Milosevic and the SPS [Socialist Party of Serbia], renewing friendly connections with the rest of the opposition, as well as extending (so far only) verbal support to independent media and independent trade unions, the Radicals offensively set off toward the part of the electorate that leans toward the center. Can it be assumed that such an orientation of theirs will mostly endanger the present SRS allies: the SPO [Serbian Renewal Movement], the DS [Democratic Party], and the DSS [Democratic Party of Serbia]?

Another component of the Radicals' rise—the one ignored by the media—is the personnel strengthening of the party's top leadership. Apart from Tomislav Nikolic (more popular than Seselj himself among the more moderate supporters), the former teenagers Aleksandar Vucic and Steva Dragisic (presently in charge of organizing street gatherings en masse) have politically grown up. In the Federal Assembly, Drasko Mirkovic who spilt water on [Republics Chamber Chairman Radoman] Bozovic has "started to swim," and the Belgrade SRS branch has brightened under Dragan Todorovic's leadership. Along the already affirmed Novi Sad threesome (Gojkovic, Mirovic, Mircic), the Montenegrin duet (Visnjic, Bakrac), the pair from across the Drina (Poplasen, Vojnica), and the Sabac-Loznica business team (Vasiljevic, Savic), Seselj also set up the key levers of the party machine that he will come up with at the next electoral race.

Despite the proven openness to the media and the newly established practice of paying time at the local radio and television stations, party marketing is the largest hole the Radicals have at the moment. Thinking up slogans, posters, and television spots is still left to laymen, and the SRS' own party production is based on the monthly VELIKA SRBIJA and a hyperproduction of books by the top party leaders.

A new moment of the radical approach was presented at the recent Loznica meeting where, apart from the usual chetnik banners, party flags were also flown among the audience, while, as regards the pyrotechnical side of the meeting, more than 40 supporters' torches and as many rockets as possible were used. A novelty in the political sense is Seselj's insistence on calming down the supporters' aggressivity and supporting the patient "pricking" of the Socialists. The SRS leader, therefore, insists on continuing the debate on the work of the Serbian Government at the assembly (the media effect of the debate in the country differs completely from the one in the capital city and is fully favorable for the Radicals), and for his "actions," he selects places where success is guaranteed. The Loznica example of "breaking through" the blockade on the Drina is indicative: Had the crossing into the Srpska republic been forbidden, this would have served as justification of the thesis on "criminal sanctions between the Serbs," while in the case that in fact happened, one could easily use the commentary of "what kind of police is this when its state border can be crossed by anyone and without any documents."

For the sake of all those people who either do not like Seselj or are afraid of him, one should cite a controversial statement he made after the Loznica meeting. In response to a question on his present intentions, he said the following: "We are a party of most dangerous intentions, in the positive sense of the word." Explanation of that sentence may follow at the convened SRS meetings.

After a few days, the leader of the Radicals announced a big meeting in Belgrade at which "the greatest changes will take place in the most peaceful way." Some time ago, it was only Vuk Draskovic that was able to make such statements with justification, but he also did not manage to take a significant number of citizens to the streets. Will Seselj succeed in doing that? Some of the said options (civil war, state of emergency, dictatorship) may provoke the Socialists if they feel threatened. However, many people are of the opinion that even Seselj's street victory could not result in anything barring dictatorship, despite his loudly advocating real parliamentary democracy.

Milosevic, Bulatovic Accused of Crime Cover-Up

95BA0197A Ljubljana DELO in Slovene 1 Mar 95 p 24

[Article by Branko Jokic: "Not a Trace of the Missing Persons"]

[FBIS Translated Text] After two years, the relatives of 19 travelers who were abducted by unknown persons on

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the Belgrade-Bar railroad line no longer hope that their relatives are still alive; everything indicates that they were killed by Karadzic's soldiers and that Milosevic and Bulatovic knew about it.

From our correspondent.

Podgorica, 28 Feb—Exactly two years have passed since 19 passengers were abducted from a train traveling on the Belgrade-Bar route. Any trace of the abduction victims was then lost. That happened in the area of Strpci on the territory of the Srpska republic. The abducted passengers were Muslims, and one Croat was also among them.

The relatives of the abduction victims, during the past two years, have appealed in vain to various humanitarian institutions and visited the highest officials of the Federal Republic of Yugoslavia [FRY], Serbia, and Montenegro. They even visited Slobodan Milosevic and Momir Bulatovic, who first of all tried to convince them that they would settle the matter, and then became silent and are now refusing all visits and any sort of contacts, even indirect ones, with the families of the abduction victims.

The Montenegrin Assembly (the abducted Muslims are citizens from that republic) has established a parliamentary commission whose task is to study that case, but yesterday its chairman, opposition deputy Dr. Dragisa Burzan, stated that the commission's work had been blocked, because the appropriate state authorities did not want to give, or were delaying the giving of, any information whatsoever about the fate of the abducted passengers.

The relatives, mostly who no longer hope that the abduction victims are still alive (it is said that they were killed immediately after the abduction, but that before that blood was taken from them to be used later for Serbian wounded), think that the abduction was carried out by Radovan Karadzic's special units, and are also convinced that Slobodan Milosevic and Momir Bulatovic are well aware of what really happened, and that they are concealing all of in "in the interest of Serbdom" and out of fear that they could be brought before The Hague court for participation in that mass crime.

That is also being done by their services, although probably there are not many people who actually know what happened in Strpci. We can say that it is a carefully guarded state secret and one of the most tragic events in the Bosnian war. It is particularly unpleasant for the FRY authorities because it all happened on a railroad line and in a facility owned by them, even though that part of the route officially goes through the Bosnian Serbs' territory. Otherwise, the relatives of the abduction victims have irrefutable evidence that the abduction was prepared in Belgrade: Before the train left the Belgrade railroad station, the police demanded that the travelers show their personal documents (which is unusual, and is not even done by any police force), and they also had to show their train tickets. After the police had determined the passengers' identity on the basis of the personal documents, they marked the Muslims' tickets. In Strpci, the kidnappers likewise demanded the passengers' tickets, and then all those whose tickets were marked had to get out.

That event is still arousing fear among the Muslims in Montenegro, and the non-Muslim inhabitants of Montenegro are also angry and frightened. That is also demonstrated by a rally in Podgorica in memory of the missing persons, in which a large number of people participated. Several prominent leaders of opposition parties and representatives of several citizens' associations condemned the "conspiracy of silence" and demanded the whole truth, and the relatives cited some new facts from which one could conclude that there is not much hope that the abducted passengers are still alive. The participants in the rally resolutely accused the Serbian and Montenegrin presidents, saying that they indirectly participated in the crime.

The people in Montenegro are especially amazed that not much interest at all has been shown in that event by either the international institutions that deal with human rights, or the various international factors and individuals (they mention David Owen in particular) who talk almost every day with Slobodan Milosevic about the consequences of the war in Bosnia-Herzegovina and peace, but in doing so have not once mentioned this mass crime.

Serbian General To Close Tuzla Airport

95BA0201A Belgrade BORBA in Serbo-Croatian 6 Mar 95 p 5

[Unattributed article: "Airport Without Mystery"]

[FBIS Translated Text] The Serbs will be forced to curtail the alleged mystery regarding landings at the Tuzla Airport, and prevent the arming of the Muslim Army which is preparing an offensive against the Srpska republic .

Zvornik—The commander of the Drina Corps of the Army of the Srpska republic [VRS], Major General Milenko Zivanovic, stated today to a TANJUG correspondent that for the Serbian side, "There is no mystery in connection with the delivery of weapons and military equipment for the Muslims through the Tuzla Airport."

The Serbian forces will "apparently be forced to curtail that alleged mystery," and prevent the further "arming" of the Muslim side, which "is preparing for a new offensive against the Srpska republic instead of for a peaceful settlement," Gen. Zivanovic warned.

He emphasized that in trying to prevent a renewal or continuation of the war in the former Bosnia and Herzegovina, a significant contribution could be made precisely by those "forces which are officially advocating the establishment of peace, but are secretly arming the Muslim Army."

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Gen. Zivanovic stated, in connection with the recent escape to the Federal Republic of Yugoslavia [FRY] of a group of 36 Muslims from Zepa and Srebrenica, enclaves which are in the zone of responsibility of the VRS Drina Corps, that these were ones who had "realized that they had been misled."

He felt that among the recent refugees who went to the FRY "there are probably also people fit for combat who were forced to take up arms and fight against the Serbs," but that "they realized that the further they were from rifles the closer they were to freedom," and "they did not want to go to Tuzla or Kladanj," which was the case previously.

The fact that they reached freedom by fleeing to the Serbs "means that it is also well known to the Muslims that Serbia and Montenegro have been and have remained the mother of freedom," regardless of the longstanding stubborn propaganda that tries to deny this, Gen. Zivanovic explained.

Kosovo

Bukoshi Urges EU To Persist With Sanctions

AU2604135395 Tirana TVSH Television Network in Albanian 1800 GMT 25 Apr 95

[FBIS Translated Text] At the invitation of Jacques Poos, Luxembourg deputy prime minister and minister for foreign affairs, Dr. Bujar Bukoshi, prime minister of the Republic of Kosova, has arrived today on an official visit to this country. Bukoshi is accompanied by Isa Mustafa, minister of economy and finance.

After expressing his satisfaction with the visit, Mr. Poos said that he is kept informed about the crisis in former Yugoslavia in general and the problem of Kosova in particular. He stressed that the EU had not forgotten Kosova and insisted on a global solution to the problem in former Yugoslavia. The EU will continue to refuse to lift sanctions [on Serbia and Montenegro] until all the areas of crisis in the region have been resolved.

Kosovar Prime Minister Bujar Bukoshi briefed Poos on the grave and generally unstable situation in the Republic of Kosova, stating that the only way to a just and permanent solution to the problem of Kosova is its independence.

Concluding, Dr. Bukoshi stressed that it is necessary for the international community in general and the European community in particular to exert consistent pressure on Serbia to accept political talks with the legitimate institutions of Kosova so that OSCE observers can be established in Kosova and for the abolition of sanctions to be dependent on the solution to the Kosova problem.

Work of Kosova Information Center Hailed

95P20724A Skopje FLAKA E VELLAZERIMIT in Albanian 27 Mar 95 p 6

[Unattributed article: "One Thousand Issues of the Daily Report of the Kosova Information Center—Information at the Level of a National News Agency"]

[FBIS Translated Excerpt] The publication of the 1,000th issue of the Albanian-language daily report of the Kosova Information Center [QIK] was celebrated on Friday at the headquarters of the Kosova Writers Association in Pristina. The president of the Republic of Kosova, Dr. Ibrahim Rugova, participated in the event.

Enver Maloku, the head of the QIK, gave a speech on the occasion, presenting a brief summary of the work and activity of this institution from its establishment up to the present time.

The QIK had its origin in the Information Commission of the LDK [Democratic League of Kosova], which was at first composed of Mehmet Kraja, Ibrahim Berisha, Xhemail Mustafa and others. At the end of 1990, this commission published the review DEM0KRACIA in Switzerland and, later, it published the review ORA in Pristina. In the first few months of 1991, when the campaign—aimed at Albanian families—of raids and torture by the Serbian police on the pretext of looking for weapons was intensified, this commission began to collect, process, and distribute information.

After the first LDK election assembly was held, the LDK information center began operations, with the approval of Dr. Rugova, president of the Republic of Kosova. After the referendum on the independence of Kosova and the appointment of the provisional coalition government of the Republic of Kosova, the work and activity of this center was considerably expanded. Ibrahim Berisha, Mehmet Kraja, Enver Maloku, Avni Spahiu and Muhamet Hamiti worked in the center. A few months later, this team began to publish a daily report in the Albanian language and, later, in the English language, as well as other books and special publications.

As of Thursday, 1,000 issues of the daily report had been published in Albanian, and 579 issues in English. According to Enver Maloku, during these years the QIK has collaborated with all the media in Kosova and with the foreign media. He recalled that, at one time, reporting on events in Kosova came mainly from Albanian reviews, Croatian Radio, the Voice of America, Vatican Radio, and Radio Tirana. At the present time, there are many media that transmit news from Kosova, including the news transmitted for the Albanian Television satellite program—Maloku said.

Continuing, Maloku noted that the Albanian newspapers and the foreign media, with their rapid, accurate and objective reporting, made it impossible for Serbia to achieve its objectives of halting Albanian reporting and disseminating disinformation about Kosova and in Kosova.

Talking about the situation of journalism in Kosova, Maloku said that Albanian journalists are in a special, and particularly difficult, position. [He said:] "We know how Albanian journalists in Kosova are treated by the Serbian police. Therefore, on this occasion, let us remember our colleagues everywhere in the world,

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because any report by any one of us might be the last report; and each report transmitted from Kosova is of special importance, since oblivion is the greatest punishment for Kosova and its people. Unfortunately, the news that is being transmitted from Kosova is still concerned mainly with the hard life and oppression of the people who live, resist, and work for Kosova's freedom and independence." [passage omitted]

Behlul Jashari, a colleague from the Albanian Telegraph Agency, said: "We are very grateful to the QIK for its assistance in our reporting on developments in Kosova. We know how difficult it is for the QIK to gather information rapidly from the most distant points of Kosova—about which, thanks to the reporting of QIK, we inform the media for which we work."

Dr. Ibrahim Rugova, president of the Republic of Kosova, congratulated the QIK on its work so far, calling this work very important and expressing his gratitude to the [ethnic] Albanian journalists who report on the hard realities in Kosova, despite their mistreatment by the Serbian regime. [Rugova said] "I can say, without modesty, that, with the establishment of the QIK, the foundation has been laid for a national news agency in Kosova, for all its citizens." [passage omitted]

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